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TITLE 326 AIR POLLUTION CONTROL BOARD

RULE AS PRELIMINARILY ADOPTED AND PROPOSED FOR FINAL ADOPTION WITH SUGGESTED CHANGES LSA Document #98-95

DIGEST

Adds 326 IAC 1-2-23.5; Emissions unit definition; 326 IAC 2-1.1, General provisions; 326 IAC 2-4.1, New source toxic control; 326 IAC 2-5.1, Construction of new sources; 326 IAC 2-6.1, Minor sources; 326 IAC 2-8-11.1 FESOP permit revisions; 326 IAC 2-12, General permits; 326 IAC 2-13, Interim operating permit revision approvals; 326 IAC 2-14, Portable sources. Amends 326 IAC 1-2-21, Construction definition; 326 IAC 1-2-42, Modification definition; 326 IAC 1-2-65, Reconstruction definition; 326 IAC 1-2-73, Source definition; 326 IAC 2-7 and 326 IAC 2-8 to include provisions for the establishment of emission caps for both programs; 326 IAC 2-7 to provide procedures for Part 70 sources to obtain approvals to modify the source; 326 IAC 2-8 to implement streamlined permit revision procedures and a unitary permit system; 326 IAC 2-9-4 to add criteria for an additional woodworking source specific operating agreement. Additionally amends rules and rule sections throughout 326 IAC to reference new rule citations. Repeals 326 IAC 2-1; 326 IAC 2-4; 326 IAC 2-5; 326 IAC 2-8-11. Effective 30 days after filing with the secretary of state.

HISTORY

First Notice of Comment Period: February 1, 1996, Indiana Register (19 IR 1205).
Second Notice of Comment Period: August 1, 1996, Indiana Register (19 IR 3219).
Notice of Rescheduled Public Hearing: October 1, 1996, Indiana Register (20 IR 220).
Republication of Second Notice of Comment Period and Notice of First Hearing:
November 1, 1997, Indiana Register (21 IR 801)
First Public Hearing: Opened February 4, 1998 and continued until March 4, 1998.
Preliminary Adoption: March 4, 1998.
Proposed Rule, Third Notice of Comment Period and Notice of Second Hearing: May 1, 1998, Indiana Register (21 IR 3036).
Notice of Rescheduled Hearing: June 1, 1998, Indiana Register (21 IR 3380).
Second Public Hearing: July 1, 1998.

326 IAC 1-2-21

326 IAC 1-2-23.5

326 IAC 1-2-42

326 IAC 1-2-65	326 IAC 2-1.1	326 IAC 2-7-24
326 IAC 1-2-73	326 IAC 2-2-1	326 IAC 2-8-2
326 IAC 1-6-1	326 IAC 2-2-2	326 IAC 2-8-3
326 IAC 2-1-1	326 IAC 2-2-5	326 IAC 2-8-4
326 IAC 2-1-2	326 IAC 2-3-1	326 IAC 2-8-5
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326 IAC 2-1-3.1	326 IAC 2-4	326 IAC 2-8-10
326 IAC 2-1-3.2	326 IAC 2-4.1	326 IAC 2-8-11
326 IAC 2-1-3.4	326 IAC 2-5	326 IAC 2-8-11.1
326 IAC 2-1-4	326 IAC 2-5.1	326 IAC 2-8-15
326 IAC 2-1-5	326 IAC 2-6.1	326 IAC 2-8-16
326 IAC 2-1-6	326 IAC 2-7-1	326 IAC 2-9-1
326 IAC 2-1-7.1	326 IAC 2-7-2	326 IAC 2-9-4
326 IAC 2-1-8	326 IAC 2-7-4	326 IAC 2-9-6
326 IAC 2-1-9	326 IAC 2-7-5	326 IAC 2-10-1
326 IAC 2-1-10	326 IAC 2-7-8	326 IAC 2-11-1
326 IAC 2-1-11.1	326 IAC 2-7-9	326 IAC 2-12
326 IAC 2-1-12	326 IAC 2-7-10.5	326 IAC 2-13
326 IAC 2-1-13	326 IAC 2-7-11	326 IAC 2-14
	326 IAC 2-7-12	326 IAC 3-1.1-1
	326 IAC 2-7-19	326 IAC 4-1-1
	326 IAC 2-7-20	326 IAC 6-1-11.1

DRAFT RULE

SECTION 1. 326 IAC 1-2-21 IS AMENDED TO READ AS FOLLOWS:

326 IAC 1-2-21 "Construction" definition

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11

Sec. 21. "Construction" means fabrication, erection, or installation of air pollution control equipment or a facility **one (1) or more emissions units** at the location intended for its use. Construction does not include any of the following:

- (1) Installation of building supports and foundations.
- (2) Laying underground piping or arbors.
- (3) Erection of storage structures.
- (4) Dismantling existing equipment and control devices.
- (5) Ordering of equipment and control devices.
- (6) Off-site fabrication.
- (7) Temporary storage ~~within the facility~~ other than where permanent installation will

occur.

This section does not apply to a major PSD source or a major PSD modification as defined in 326 IAC 2-2 or a major source or major modification as defined in 326 IAC 2-3. (*Air Pollution Control Board; 326 IAC 1-2-21; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2371; filed Jul 15, 1993, 5:00 p.m.: 16 IR 2824*)

SECTION 2. 326 IAC 1-2-23.5 IS ADDED TO READ AS FOLLOWS:

326 IAC 1-2-23.5 "Emissions unit" definition

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11

Sec. 23.5. "Emissions unit" means any part or activity of a stationary source that emits or has the potential to emit any regulated air pollutant under the Clean Air Act (CAA). (*Air Pollution Control Board; 326 IAC 1-2-23.5*)

SECTION 3. 326 IAC 1-2-42 IS AMENDED TO READ AS FOLLOWS:

326 IAC 1-2-42 "Modification" definition

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11

Sec. 42. "Modification" means any one (1) or more of the following activities at an existing source:

(1) A physical change or change in the method of operation of any existing facility which emissions unit that increases the potential or legally allowed emissions (whichever is more stringent) of to emit any regulated pollutant that could be emitted from the facility; emissions unit, or which results in emissions of any regulated pollutant not previously emitted. For purposes of 326 IAC 2-1, the following apply:

(1) "Modification" does not include the repair or replacement of an air pollution emitting facility or air pollution control equipment or components thereof if the repair or replacement is made:

(A) in order to return the facility, process, or control equipment to normal operation after an upset, malfunction, mechanical failure; or

(B) in order to prevent impending and imminent failure of the facility, process, or control equipment; and

(C) results in a potential to emit for each regulated pollutant that is less than or equal to the potential to emit of the equipment that was repaired or replaced, and is not a major modification under 326 IAC 2-2-1 or 326 IAC 2-3-1.

(2) If the repair or replacement described in subdivision (1) qualifies as a reconstruction under section 65 of this rule or is a complete replacement of an existing air pollution

emitting facility or control device, and it produces a potential to emit for the new equipment that exceeds the quantities contained in 326 IAC 2-1-1(b)(1) or 326 IAC 2-1-1(b)(2), or is otherwise covered by 326 IAC 2-1-1(b)(3), then an application for a permit or registration must be submitted to the commissioner no later than thirty (30) calendar days after initiating the emergency repair or replacement.

(2) Construction of one (1) or more new emissions units that have the potential to emit regulated air pollutants.

(3) Reconstruction of one (1) or more existing emission units that have increases the potential to emit of any regulated air pollutants.

(Air Pollution Control Board; 326 IAC 1-2-42; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2373; filed Jul 15, 1993, 5:00 p.m.: 16 IR 2825)

SECTION 4. 326 IAC 1-2-65 IS AMENDED TO READ AS FOLLOWS:

326 IAC 1-2-65 "Reconstruction" definition

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11

Sec. 65. A facility ~~An emission unit~~ shall be considered to be reconstructed when the fixed capital cost of the new components exceed fifty percent (50%) of the fixed capital cost of a comparable entirely new facility: **emission unit. The fixed capital cost of components shall reflect any exceptions granted under federal rules.** *(Air Pollution Control Board; 326 IAC 1-2-65; filed Mar 10, 1988, 1:20 pm: 11 IR 2375)*

SECTION 5. 326 IAC 1-2-73 IS AMENDED TO READ AS FOLLOWS:

326 IAC 1-2-73 "Source" definition

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11

Sec. 73. An aggregation of one (1) or more facilities ~~which stationary emissions units that~~ are located on one (1) piece of property or on contiguous or adjacent properties, and which are owned or operated by the same person (or by persons under common control), **and belong to a single major industrial grouping. For purposes of defining a source, two (2) or more contiguous or adjacent properties shall be considered part of a single major industrial grouping if all of the pollutant emitting activities at such contiguous or adjacent properties belong to the same major group, that is, all have the same two-digit Standard Industrial Classification (SIC) code} as described in the Standard Industrial Classification Manual, 1987. Any stationary source (or group of stationary sources) that supports another source, where both are under common control of the same person (or persons under common control) and are located on contiguous or adjacent properties, shall be considered a**

support facility and part of the same source regardless of the two (2) digit SIC code for that support facility. A stationary source (or group of stationary sources) is considered a support facility to a source if at least fifty percent (50%) of the output of the support facility is dedicated to the source. A source does not include mobile sources, nonroad engines, or nonroad vehicles. (*Air Pollution Control Board; 326 IAC 1-2-73; filed Mar 10, 1988, 1:20 pm: 11 IR 2376*)

SECTION 6. 326 IAC 1-6-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 1-6-1 Applicability of rule

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. The requirements of This rule shall apply **applies** to the owner or operator of any facility required to obtain a permit under 326 IAC 2-1-2 and 326 IAC 2-1-4. **326 IAC 2-5.1 or 326 IAC 2-6.1.** (*Air Pollution Control Board; 326 IAC 1-6-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2380; filed May 25, 1994, 11:00 a.m.: 17 IR 2238*)

SECTION 7. 326 IAC 2-1.1 IS ADDED TO READ AS FOLLOWS:

Rule 2-1.1. General Provisions

326 IAC 2-1.1-1 Definitions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11-2; IC 13-15; IC 13-17

Sec. 1. For purposes of this article, the definition given for a term in this rule shall control in any conflict between 326 IAC 1-2 and this article. In addition to the definitions provided in IC 13-11-2 and 326 IAC 1-2, the following definitions apply throughout this article unless expressly stated otherwise or unless the context clearly implies otherwise:

- (1) "Authorized individual" means an individual responsible for the overall operation of one (1) or more manufacturing, production, or operating plants or a duly authorized representative of such person. For any public agency, the term means either a ranking elected official, the chief executive officer, or a designated representative of such person having responsibility for the overall operations of a principal geographic unit of the agency.
- (2) "General permit" means a permit that is applicable to a class or category of sources or modifications thereto, whether or not under common ownership or control, that are subject to similar applicable requirements.
- (3) "Major modification" means a modification to an existing major source to which either 326 IAC 2-2 or 326 IAC 2-3 applies.

(4) "Major source" means any source or facility to which either 326 IAC 2-2 or 326 IAC 2-3 applies.

(5) "Minor modification" means a modification to an existing source to which neither 326 IAC 2-2 nor 326 IAC 2-3 applies.

(6) "Minor physical change" means a change at an existing source that includes, but is not limited to, the following:

(A) A change in the method of operation.

(B) The reconfiguration of existing equipment.

(C) The movement of existing equipment within a building.

(D) The replacement, reconfiguration, or addition of ancillary equipment.

(E) The replacement, reconfiguration, or addition of supporting devices such as piping or duct work.

(F) The replacement or addition of air pollution control devices.

The term does not include changes that increase the potential to emit of an emissions unit, process, or operation, or reconstruction of an emissions unit.

(6) (7) "Minor source" means any source or facility to which 326 IAC 2-5.1 applies, but to which neither 326 IAC 2-2 nor 326 IAC 2-3 applies.

(7) (8) "New emissions unit" means an emissions unit for which construction commences on or after the effective date of this rule.

(8) "New portable source" means any portable operation that has not commenced construction as of the effective date of this rule or does not have a valid operating permit.

(9) (10) "New source" means a source for which construction commences on or after the effective date of this rule that will be constructed on undeveloped land or will be constructed at a location for which a valid permit has not been issued.

(10) (11) "Operation" means a single piece of equipment or multiple pieces of like equipment, a process or multiple like processes, a plant or multiple like plants, or any combination of the three (3) that performs similar functions or when operated together produces similar products.

(12) "Plant-wide applicability limit" means a plant-wide federally enforceable emission limitation established for a stationary source such that subsequent physical or operational changes resulting in emissions that remain less than the limit are excluded from preconstruction or modification approval or operating permit revision requirements under this article.

(11) (13) "Pollution control project" means any activity or project undertaken at an existing emissions unit which, as its primary purpose, reduces regulated air pollutant emissions from such unit. Such activities or projects do not include the replacement of an existing unit with a newer or different unit, or the reconstruction of an existing unit, and are limited to any of the following:

(A) The installation of conventional or innovative pollution control equipment technology, including but not limited to, the following:

- (i) Conventional and advanced flue gas desulfurization and sorbent injection for sulfur dioxide (SO₂).
- (ii) Electrostatic precipitators, baghouses, high efficiency multiclones, and scrubbers for particulates.
- (iii) Flue gas recirculation, low-NO_x burners, selective noncatalytic reduction, and selective catalytic reduction for NO_x.
- (iv) Regenerative thermal oxidizers (RTO), catalytic oxidizers, condensers, thermal incinerators, flares, and carbon adsorbers absorbers for VOCs and HAPs.

(B) Switching to an inherently less polluting fuel. Any activity that is necessary to accommodate switching to an inherently less polluting fuel is considered to be part of the pollution control project to the extent the activities are undertaken to maintain the currently used capacity of the unit at the time the fuel switch is implemented.

~~(12)~~ (14) "Pollution prevention project" means any activity or project at an existing emissions unit where the primary purpose of such an activity or project is the reduction or elimination of the creation of pollutants through increased efficiency in the use of raw materials, energy, water, or other resources. Such activity or project includes any practice that reduces:

- (A) the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment (including fugitive emissions) prior to recycling, treatment, or disposal; and
- (B) the hazards to public health and the environment associated with the release of such substances, pollutants, or contaminants.

The term includes equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control. The term does not include recycling, energy recovery, treatment, disposal, or the use of any add-on air pollution control technology.

~~(13)~~ (15) "Portable source" means any operation, process, or emissions unit that emits or has the potential to emit any regulated air pollutant and is specifically designed to be and capable of being moved from one (1) location or site to another location or site and is moved to other locations or sites at least one (1) time during the term of the permit. Indicia of transportability include, but are not limited to:

- (A) wheels;
- (B) skids;
- (C) trailer; or
- (D) platform.

~~(14)~~ (16) "Potential to emit" means the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air

pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is enforceable by the U.S. EPA, the department, or the appropriate local air pollution control agency. The term does not alter or affect the use of potential to emit for any other purpose under the CAA, (or the term "capacity factor" as used in Title IV of the CAA) or the regulations promulgated thereunder.

~~(15)~~ (17) "Process" means any combination of equipment that is physically connected and operated in sequence that, when the process is operated, could operate independently to generate energy, refine or produce materials or parts, or produce a finished product.

(Air Pollution Control Board; 326 IAC 2-1.1-1)

326 IAC 2-1.1-2 Applicability

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) The provisions of this rule apply to the issuance of a registration, permit, modification approval, or operating permit revision required under this article and the sources or emissions unit or units required to obtain a registration, permit, modification approval, or operating permit revision under this rule, except where rules in this article establish more specific requirements. No person shall construct, operate, or modify a source or emissions unit required to obtain a registration, permit, modification approval, or operating permit revision prior to issuance of a registration, permit, or operating permit revision.

(b) Specific registration, permitting, and operating permit revision requirements are located in the following provisions of this article:

(1) Construction of major sources and major modifications in attainment areas under 326 IAC 2-2.

(2) Construction of major sources and major modifications in nonattainment areas under 326 IAC 2-3.

(3) Construction or reconstruction of major sources of hazardous air pollutants under 326 IAC 2-4.1.

(4) Construction of new sources under 326 IAC 2-5.1.

(5) Operation and modification of minor sources pursuant to registrations under 326 IAC 2-5.5.

~~(5)~~ (6) Operation and modification of minor sources pursuant to state operating permits under 326 IAC 2-6.1.

~~(6)~~ (7) Operation and modification of major sources pursuant to Part 70 permits under 326 IAC 2-7.

- ~~(7)~~ **(8) Operation and modification of minor sources pursuant to federally enforceable state operating permits (FESOPs) under 326 IAC 2-8.**
- ~~(8)~~ **(9) Operation and modification of minor sources pursuant to source specific operating agreements (SSOAs) under 326 IAC 2-9.**
- ~~(9)~~ **(10) Operation and modification of sources pursuant to permits-by-rule under 326 IAC 2-10 or 326 IAC 2-11.**
- ~~(10)~~ **(11) Operation and modification of sources pursuant to general permits under 326 IAC 2-12.**
- ~~(11)~~ **(12) Modification of sources pursuant to interim permit revision procedures under 326 IAC 2-13.**
- ~~(12)~~ **(13) Operation and modification of portable sources under 326 IAC 2-14.**

(c) The commissioner may require the owner or operator of a source or emissions unit (excluding single-family dwellings) that has the potential to emit any air pollutant to complete a permit application. If after review of a permit application, the commissioner determines that the source or emissions unit is subject to the registration, permit, or permit revision provisions under this article and is required to receive such registration, permit, or permit revision, the commissioner may require the owner or operator of the source or emissions unit to obtain a construction or operating permit or permit revision prior to constructing, operating, or modifying the source or emissions unit.

(d) The requirement for a registration, permit, or permit revision shall be based on the following:

- (1) Unless specifically listed as a source type required to obtain a registration or permit under 326 IAC 2-5.1, the requirement to obtain a registration or permit for construction of a new source shall be based on whether the potential to emit of any regulated pollutant from all emissions units at the source exceeds the applicability thresholds in 326 IAC 2-5.1.
- (2) Unless specifically listed as a source type required to have an operating permit under 326 IAC 2-6.1, 326 IAC 2-7, or 326 IAC 2-8, the requirement to obtain an operating permit shall be based on whether the potential to emit of any regulated pollutant from all emissions units at the source exceeds the applicability thresholds for operating permits within this article.
- (3) Unless specifically listed as a type of modification required to obtain an operating permit revision or modification approval under 326 IAC 6.1, 326 IAC 2-7, or 326 IAC 2-8, the requirement to obtain an operating permit revision shall be based on whether the sum of the potential to emit of any regulated pollutant from new emission units and the increase of the potential to emit of any regulated pollutant from modified existing emission units at the source exceeds the applicability thresholds for operating permit revisions within this article.

(e) Any exemption granted under this rule shall apply only to the requirement to have prior approval before construction, operation, or modification of a source or emissions unit. An exemption under this rule does not exempt a source from any other requirements applicable to the source under this title. (*Air Pollution Control Board; 326 IAC 2-1.1-2*)

326 IAC 2-1.1-3 Exemptions

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) Operation of a source that consists solely of emission units, operations, or processes identified in this section is exempt from the registration and permitting requirements of this article unless the potential to emit of any regulated pollutant from the entire source exceeds an emission threshold establishing the requirement to have a registration or permit under this article.

(b) Construction or modification of any emission unit, operation, or process identified in this section is exempt from the requirement to obtain a registration, permit, modification approval, or permit revision required under this article unless the potential to emit of any regulated pollutant from the construction or modification exceeds an emission threshold establishing the requirement to have a registration, permit, modification approval, or permit revision under this article.

(c) The new source requirements of 326 IAC 2-5.1-2 for registrations and 326 IAC 2-5.1-3 for permits, including the requirement to submit an application, do not apply to new sources as follows:

(1) New sources that obtain and comply with one (1) of the following enforceable operating agreements under 326 IAC 2-9:

(A) 326 IAC 2-9-2.5 or 326 IAC 2-9-3 for surface coating operations.

(B) ~~326 IAC 2-9-4~~ 326 IAC 2-9-4(b) and (d) for woodworking operations.

(C) 326 IAC 2-9-5 for abrasive cleaning operations.

(D) 326 IAC 2-9-7(b)(1) for sand and gravel operations.

(E) 326 IAC 2-9-8(b)(1) for crushed stone processing plants.

(F) 326 IAC 2-9-9 for concrete batch operations.

(G) 326 IAC 2-9-10 for coal mines and coal preparation plants that have provided public notice under 310 IAC 12-3-106 and included a reference of the application for an operating agreement in such notice.

(H) 326 IAC 2-9-11 for automobile refinishing operations.

(I) 326 IAC 2-9-12 for degreasing operations.

(J) ~~326 IAC 2-9-13 for external combustion sources.~~

(K) ~~326 IAC 2-9-14 for internal combustion sources.~~

(2) New sources that comply with the limitations set forth in 326 IAC 2-11.

(3) New sources eligible for and obtaining a general permit that includes emissions limits that are less than the applicability thresholds in 326 IAC 2-5.1-2 or and 326 IAC 2-5.1-3.

(4) New sources with the potential to emit less than ten (10) tons per year of a single hazardous air pollutant (HAP), as defined under Section 112(b) of the Clean Air Act, or twenty-five (25) tons per year of any combination of HAPs, and not otherwise required to apply for and obtain a registration or permit.

The exclusion from the new source requirements of 326 IAC 2-5.1-2 for registrations and 326 IAC 2-5.1-3 for permits under subdivisions (1) through (3) shall only apply to those rules and rule sections that have been approved by the U.S. EPA as part of the state implementation plan (SIP).

(d) The new source requirements of 326 IAC 2-5.1-2 for registrations and 326 IAC 2-5.1-3 for permits, the modification approval requirements under 326 IAC 2-7-10.5, and the permit revision requirements under 326 IAC 2-6.1-6, 326 IAC 2-7-12, and 326 IAC 2-8-11.1, including the requirement to submit an application, do not apply to the following:

(1) New sources or modifications to existing sources that are proposed to be operated or constructed, that have the potential to emit less than the following amounts:

(A) Five (5) tons per year of either particulate matter (PM) or particulate matter with an aerodynamic diameter less than ten (10) micrometers (PM₁₀).

(B) Ten (10) tons per year of sulfur dioxide (SO₂).

(C) Ten (10) tons per year of nitrogen oxides (NO_x).

(D) Ten (10) tons per year of volatile organic compounds (VOC) for sources or modifications that are not subject to 326 IAC 8 .

(E) Fifteen (15) pounds per day of volatile organic compounds (VOC) for sources or modifications that are subject to 326 IAC 8 .

(F) Twenty-five (25) tons per year of carbon monoxide (CO).

(G) Two-tenths (0.2) ton per year of lead (Pb).

(H) One (1) ton per year of a single hazardous air pollutant (HAP) or two and one-half (2.5) tons per year of any combination of HAPs listed pursuant to Section 112(b) of the CAA.

(I) Five (5) tons per year of the following regulated air pollutants:

(i) Hydrogen sulfide (H₂S).

(ii) Total reduced sulfur (TRS).

(iii) Reduced sulfur compounds.

(iv) Fluorides.

(2) New sources or modifications of existing sources that consist of only an emission unit or units or process or processes whose primary purpose is to conduct research

and development into new processes and products, provided the new source or modification:

- (A) is operated under the close supervision of technically trained personnel;
- (B) is conducted for the primary purpose of theoretical research or research and development into new or improved processes and products;
- (C) does not manufacture more than de minimis amounts of commercial products;
- (D) does not contribute to the manufacture of commercial products by collocated sources in more than a de minimis manner; and
- (E) has less than twenty-five (25) tons per year of actual emissions of any one (1) regulated air pollutant and less than ten (10) tons per year of actual emissions of any hazardous air pollutant as defined under Section 112(b) of the Clean Air Act.

(3) New sources or modifications of existing sources that consist of only a laboratory as defined in this subdivision. As used in this subdivision, "laboratory" means a place or activity, such as a medical, analytical, or veterinary laboratory, devoted to experimental study or teaching or to the testing and analysis of drugs, chemicals, chemical compounds or other substances, or similar activities, provided that the activities described in this subdivision are conducted on a laboratory scale.

Activities are conducted on a laboratory scale if the containers used for reactions, transfers, and other handling of substances are designed to be easily and safely manipulated by one (1) person. If a laboratory manufactures or produces products for profit in more than a de minimis manner, it shall not be considered to be a laboratory under this subdivision. Support activities necessary to the operation of the laboratory are considered to be part of the laboratory. Support activities do not include the provision of power to the laboratory from emission units that provide power to multiple projects or from emission units which would otherwise require permitting, such as boilers that provide power to a source or solid waste disposal units, such as incinerators.

(4) New sources or modifications of existing sources that consist of only educational and teaching activities as defined in this subdivision. As used in this subdivision, "educational and teaching activities" means activities conducted at public and nonpublic schools and postsecondary educational institutions for educational, vocational, agricultural, occupational, employment, or technical training purposes provided the activities do not include the production of an intermediate or final product for sale or exchange for commercial profit or distribution. Support activities necessary to the educational and teaching activities are considered to be part of the educational and teaching activities. Support activities do not include the provision of power to the educational and teaching activities from emission units that provide power to multiple projects or from emission units that would otherwise require permitting, such as boilers that provide power to a source or solid waste

disposal units, such as incinerators.

(5) New sources or modifications of existing sources that consist of only combustion related activities, including the following:

(A) Space heaters, process heaters, heat treat furnaces, or boilers described as follows:

(i) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) British thermal units per hour.

(ii) Propane or liquified petroleum gas or butane-fired combustion sources with heat input equal to or less than six million (6,000,000) British thermal units per hour.

(iii) Fuel oil-fired combustion sources with heat input equal to or less than two million (2,000,000) British thermal units per hour and firing fuel containing equal to or less than five-tenths percent (0.5%) sulfur by weight.

(iv) Wood-fired combustion sources with heat input equal to or less than one million (1,000,000) British thermal units per hour and not burning treated wood or chemically contaminated wood.

(B) Equipment powered by internal combustion engines of capacity equal to or less than five hundred thousand (500,000) British thermal units per hour except where total capacity of equipment operated by one (1) stationary source exceeds two million (2,000,000) British thermal units per hour.

(C) Combustion source flame safety purging on startup.

(D) Portable electrical generators that can be moved by hand from one (1) location to another. As used in this clause, "moved by hand" means that it can be moved without the assistance of any motorized or nonmotorized vehicle, conveyance, or device.

(E) Combustion emissions from propulsion of mobile sources.

(F) Fuel use related to food preparation for on-site consumption.

(G) Tobacco smoking rooms and areas.

(H) Blacksmith forges.

(I) Indoor and outdoor kerosene heaters.

(6) New sources or modifications of existing sources that consist of only activities that dispense fuel, including the following:

(A) A gasoline dispensing operation having a storage tank capacity equal to or less than ten thousand five hundred (10,500) gallons and dispensing less than or equal to one thousand three hundred (1,300) gallons per day. Such storage tanks may be in a fixed location or on mobile equipment.

(B) A petroleum fuel other than a gasoline dispensing facility, having a storage tank capacity less than or equal to ten thousand five hundred (10,500) gallons, and dispensing three thousand five hundred (3,500) gallons per day or less.

(7) New sources or modifications of existing sources that consist of only the following VOC and HAP storage containers:

(A) Storage tanks with capacity less than or equal to one thousand (1,000) gallons and annual throughputs equal to or less than twelve thousand (12,000) gallons.

(B) Vessels storing the following:

- (i) Lubricating oils.**
- (ii) Hydraulic oils.**
- (iii) Machining oils.**
- (iv) Machining fluids.**

(8) New sources or modifications of existing sources that consist of only refractory storage not requiring air pollution control equipment.

(9) New sources or modifications of existing sources that consist of only equipment used exclusively for the following:

(A) Packaging of the following:

- (i) Lubricants.**
- (ii) Greases.**

(B) Filling drums, pails, or other packaging containers with the following:

- (i) Lubricating oils.**
- (ii) Waxes.**
- (iii) Greases.**

(10) New sources or modifications of existing sources that consist of only the following:

(A) Application of:

- (i) oils;**
- (ii) greases;**
- (iii) lubricants; and**
- (iv) nonvolatile material;**

as temporary protective coatings.

(B) Machining where an aqueous cutting coolant continuously floods the machining interface.

(C) Degreasing operations that do not exceed one hundred forty-five (145) gallons per twelve (12) months except if subject to 326 IAC 20-6.

(D) Cleaners and solvents characterized as:

- (i) having a vapor pressure equal to or less than two (2) kilo Pascals (fifteen (15) millimeters of mercury or three-tenths (0.3) pound per square inch) measured at thirty-eight (38) degrees Centigrade (one hundred (100) degrees Fahrenheit); or**
- (ii) having a vapor pressure equal to or less than seven-tenths (0.7) kilo Pascal (five (5) millimeters of mercury or one-tenth (0.1) pound per square inch) measured at twenty (20) degrees Centigrade (sixty-**

- eight (68) degrees Fahrenheit);
the use of which, for all cleaners and solvents combined, does not exceed one hundred forty-five (145) gallons per twelve (12) months.
- (E) The following equipment related to manufacturing activities not resulting in the emission of HAPs as defined under Section 112(b) of the Clean Air Act:
- (i) Brazing.
 - (ii) Cutting torches.
 - (iii) Soldering.
 - (iv) Welding.
- (F) Closed loop heating and cooling systems.
- (G) Infrared cure equipment.
- (H) Exposure chambers (towers or columns), for curing of ultraviolet inks and ultraviolet coatings where heat is the intended discharge.
- (I) Any of the following structural steel and bridge fabrication activities:
- (i) Cutting two hundred thousand (200,000) linear feet or less of one (1) inch plate or equivalent.
 - (ii) Using eighty (80) tons or less of welding consumables.
- (11) New sources or modifications of existing sources that consist of only activities associated with the following recovery systems:
- (A) Rolling oil recovery systems.
 - (B) Ground water oil recovery wells.
- (12) New sources or modifications of existing sources that consist of only solvent recycling systems with batch capacity less than or equal to one hundred (100) gallons.
- (13) New sources or modifications of existing sources that consist of only the following water based activities:
- (A) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to one percent (1%) by volume.
 - (B) Water run-off ponds for petroleum coke-cutting and coke storage piles.
 - (C) Activities associated with the transportation and treatment of sanitary sewage, provided discharge to the treatment plant is under the control of the owner or operator, that is, an on-site sewage treatment facility.
 - (D) Any operation using aqueous solutions containing less than or equal to one percent (1%) by weight of VOCs excluding HAPs as defined under Section 112(b) of the Clean Air Act.
 - (E) Water-based adhesives that are less than or equal to five percent (5%) by volume of VOCs excluding HAPs as defined under Section 112(b) of the Clean Air Act.
 - (F) Noncontact cooling tower systems with either of the following:
 - (i) Natural draft cooling towers not regulated under a NESHAP.

(ii) Forced and induced draft cooling tower systems not regulated under a NESHAP.

(G) Quenching operations used with heat treating processes.

Oil, grease, or VOC content shall be determined by a test method acceptable to the commissioner and the U.S. EPA.

(14) New sources or modifications of existing sources that consist of only trimmers that do not produce fugitive emissions and that are equipped with a dust collection or trim material recovery device, such as a bag filter or cyclone.

(15) New sources or modifications of existing sources that consist of only stockpiled soils from soil remediation activities that are covered and waiting transport for disposal.

(16) New sources or modifications of existing sources that consist of only paved and unpaved roads and parking lots with public access.

(17) New sources or modifications of existing sources that consist of only general construction activities not related to the construction of an emissions unit.

(18) New sources or modifications of existing sources that consist of only conveyors as follows:

(A) Covered conveyors for solid raw material, including:

(i) coal or coke conveying of less than or equal to three hundred sixty (360) tons per day; or

(ii) limestone conveying of less than or equal to seven thousand two hundred (7,200) tons per day for sources other than mineral processing plants constructed after August 31, 1983.

(B) Uncovered coal or coke conveying of less than or equal to one hundred twenty (120) tons per day.

(C) Underground conveyors.

(D) Enclosed systems for conveying plastic raw material and plastic finished goods.

(19) New sources or modifications of existing sources that consist of only coal bunker and coal scale exhausts and associated dust collector vents.

(20) New sources or modifications of existing sources that consist of only asbestos abatement projects regulated by 326 IAC 14-10.

(21) New sources or modifications of existing sources that consist of only routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process, including the following:

(A) Purging of gas lines.

(B) Purging of vessels.

(22) New sources or modifications of existing sources that consist of only flue gas conditioning systems and associated chemicals, such as the following:

(A) Sodium sulfate.

(B) Ammonia.

(C) Sulfur trioxide.

(23) New sources or modifications of existing sources that consist of only equipment used to collect any material that might be released during a malfunction, process upset, or spill cleanup, including the following:

(A) Catch tanks.

(B) Temporary liquid separators.

(C) Tanks.

(D) Fluid handling equipment.

(24) New sources or modifications of existing sources that consist of only furnaces used for melting metals other than beryllium with a brim full capacity equal to or less than four hundred fifty (450) cubic inches by volume.

(25) New sources or modifications of existing sources that consists consist of only activities associated with emergencies, including the following:

(A) On-site fire training approved by the commissioner.

(B) Emergency generators as follows:

(i) Gasoline generators not exceeding one hundred ten (110) horsepower.

(ii) Diesel generators not exceeding one thousand six hundred (1,600) horsepower.

(iii) Natural gas turbines or reciprocating engines not exceeding sixteen thousand (16,000) horsepower.

(C) Stationary fire pump engines.

(26) New sources or modifications of existing sources that consist of only grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors, and electrostatic precipitators with a design grain loading of less than or equal to three-hundredths (0.03) grain per actual cubic foot and a gas flow rate less than or equal to four thousand (4,000) actual cubic feet per minute, including the following:

(A) Deburring.

(B) Buffing.

(C) Polishing.

(D) Abrasive blasting.

(E) Pneumatic conveying.

(F) Woodworking operations.

(27) New sources or modifications of existing sources that consist of only purge double block and bleed valves.

(28) New sources or modifications of existing sources that consist of only filter or coalescer media changeout.

(29) New sources or modifications of existing sources that consist of only vents from ash transport systems not operated at positive pressure.

(30) New sources or modifications of existing sources that consist of only mold release agents using low volatile products (vapor pressure less than or equal to two (2.0) kilo Pascals measured at thirty-eight (38) degrees Centigrade).

(31) New sources or modifications of existing sources that consist of only farm operations.

(32) New sources or modifications of existing sources that consist of only woodworking equipment controlled by a baghouse provided that the following criteria are satisfied:

(A) The baghouse does not exhaust to the atmosphere greater than one hundred twenty-five thousand (125,000) cubic feet per minute.

(B) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of three-thousandths (0.003) grain per dry standard cubic feet of outlet air.

(C) Opacity from the baghouse does not exceed ten percent (10%) opacity.

(D) The baghouse is in operation at all times that the woodworking equipment is in use.

(E) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:

(1) The baghouse shall be inspected.

(2) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.

(F) The baghouse is inspected quarterly when vented to the atmosphere.

(G) The owner or operator keeps the following records:

(i) Records documenting the date when the baghouse redirected indoors or to the atmosphere.

(ii) Quarterly inspection reports, when vented to the atmosphere.

(iii) Visible observation reports.

(iv) Records of corrective actions.

(33) New sources or modifications of existing sources that consist of only woodworking equipment controlled by a baghouse provided that the following criteria is met:

(A) The baghouse does not exhaust to the atmosphere greater than forty thousand (40,000) cubic feet per minute.

(B) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of one-hundredth (0.01) grain per dry standard cubic feet of outlet air.

(C) Opacity from the baghouse does not exceed ten percent (10%) opacity.

(D) The baghouse is in operation at all times that the woodworking

equipment is in use.

(E) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:

- (1) The baghouse shall be inspected.
- (2) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.

(F) The baghouse is inspected quarterly when vented to the atmosphere.

(G) The owner or operator keeps the following records:

- (i) Records documenting the date when the baghouse redirected indoors or to the atmosphere.
- (ii) Quarterly inspection reports, when vented to the atmosphere.
- (iii) Visible observation reports.
- (iv) Records of corrective actions.

(34) New sources or modifications of existing sources that consist of only water-related activities, including the following:

- (A) Production of hot water for on-site personal use not related to any industrial or production process.
- (B) Water treatment activities used to provide potable and process water for the plant, excluding any activities associated with wastewater treatment.
- (C) Steam traps, vents, leaks, and safety relief valves.
- (D) Cooling ponds.
- (E) Laundry operations using only water solutions of bleach or detergents.
- (F) Demineralized water tanks and demineralizer vents.
- (G) Boiler water treatment operations, not including cooling towers.
- (H) Oxygen scavenging (deaeration) of water.
- (I) Steam cleaning operations and steam sterilizers.
- (J) Pressure washing of equipment.
- (K) Water jet cutting operations.

(35) New sources or modifications of existing sources that consist of only ventilation, venting equipment, and refrigeration, including the following:

- (A) Ventilation exhaust, central chiller water systems, refrigeration, and air conditioning equipment, not related to any industrial or production process, including natural draft hoods or ventilating systems that do not remove air pollutants.
- (B) Stack and vents from plumbing traps used to prevent the discharge of sewer gases, handling domestic sewage only, excluding those at wastewater treatment plants or those handling any industrial waste.
- (C) Vents from continuous emissions monitors and other analyzers.

- (D) Natural gas pressure regulator vents, excluding venting at oil and gas production facilities.**
 - (E) Air vents from air compressors.**
 - (F) Vents for air cooling of electric motors provided the air does not commingle with regulated air pollutants.**
 - (G) Vents from equipment used to air blow water from cooled plastics strands or sheets.**
- (36) New sources or modifications of existing sources that consist of only activities related to routine fabrication, maintenance, and repair of buildings, structures, equipment, or vehicles at the source where air emissions from those activities would not be associated with any commercial production process, including the following:**
- (A) Activities associated with the repair and maintenance of paved and unpaved roads, including paving or sealing, or both, of parking lots and roadways.**
 - (B) Painting, including interior and exterior painting of buildings, and solvent use excluding degreasing operations utilizing halogenated organic solvents.**
 - (C) Brazing, soldering, or welding operations and associated equipment.**
 - (D) Portable blast-cleaning equipment with enclosures.**
 - (E) Blast-cleaning equipment using water as the suspension agent and associated equipment.**
 - (F) Batteries and battery charging stations except at battery manufacturing plants.**
 - (G) Lubrication, including:**
 - (i) hand-held spray can lubrication;**
 - (ii) dipping metal parts into lubricating oil; or**
 - (iii) manual or automated addition of cutting oil in machining operations.**
 - (H) Nonasbestos insulation installation or removal.**
 - (I) Tarring, retarring, and repair of building roofs.**
 - (J) Bead blasting of heater tubes.**
 - (K) Instrument air dryer and filter maintenance.**
 - (L) Manual tank gauging.**
 - (M) Open tumblers associated with deburring operations in maintenance shops.**
- (37) New sources or modifications of existing sources that consist of only activities performed using hand-held equipment, including the following:**
- (A) Application of hot melt adhesives with no VOC in the adhesive formulation.**
 - (B) Buffing.**
 - (C) Carving.**

- (D) Cutting, excluding cutting torches.
 - (E) Drilling.
 - (F) Grinding.
 - (G) Machining wood, metal, or plastic.
 - (H) Polishing.
 - (I) Routing.
 - (J) Sanding.
 - (K) Sawing.
 - (L) Surface grinding.
 - (M) Turning wood, metal, or plastic.
- (38) New sources or modifications of existing sources that consist of only housekeeping and janitorial activities and supplies, including the following:
- (A) Vacuum cleaning systems used exclusively for housekeeping or custodial activities, or both.
 - (B) Steam cleaning activities.
 - (C) Rest rooms and associated cleanup operations and supplies.
 - (D) Alkaline or phosphate cleaners and associated equipment.
 - (E) Mobile floor sweepers and floor scrubbers.
 - (F) Pest control fumigation.
- (39) New sources or modifications of existing sources that consist of only office-related activities, including the following:
- (A) Office supplies and equipment.
 - (B) Photocopying equipment and associated supplies.
 - (C) Paper shredding.
 - (D) Blueprint machines, photographic equipment, and associated supplies.
- (40) New sources or modifications of existing sources that consist of only lawn care and landscape maintenance activities and equipment, including the storage, spraying, or application of insecticides, pesticides, and herbicides.
- (41) New sources or modifications of existing sources that consist of only storage equipment and activities, including the following:
- (A) Pressurized storage tanks and associated piping for the following:
 - (i) Acetylene.
 - (ii) Anhydrous ammonia.
 - (iii) Carbon monoxide.
 - (iv) Chlorine.
 - (v) Inorganic compounds.
 - (vi) Liquid petroleum gas (LPG).
 - (vii) Liquid natural gas (LNG) (propane).
 - (viii) Natural gas.
 - (ix) Nitrogen dioxide.
 - (x) Sulfur dioxide.

- (B) Storage tanks, vessels, and containers holding or storing liquid substances that do not contain any VOC or HAP as defined under Section 112(b) of the Clean Air Act.**
 - (C) Storage tanks, reservoirs, and pumping and handling equipment of any size containing soap, vegetable oil, grease, wax, animal fat, and nonvolatile aqueous salt solutions, provided appropriate lids and covers are utilized.**
 - (D) Storage of drums containing maintenance raw materials.**
 - (E) Storage of:**
 - (i) castings;**
 - (ii) lance rods; or**
 - (iii) any non-HAP containing material in solid form stored in a sealed or covered container.**
 - (F) Portable containers used for the collection, storage, or disposal of materials provided the container capacity is equal to or less than forty-six hundredths (0.46) cubic meter and the container is closed except when the material is added or removed.**
- (42) New sources or modifications of existing sources that consist of only emergency and standby equipment, including the following:**
- (A) Emergency (backup) electrical generators at residential locations, such as dormitories, prisons, and hospitals.**
 - (B) Safety and emergency equipment except engine driven fire pumps, including fire suppression systems and emergency road flares.**
 - (C) Process safety relief devices installed solely for the purpose of minimizing injury to persons or damage to equipment that could result from abnormal process operating conditions, including the following:**
 - (i) Explosion relief vents, diaphragms, or panels.**
 - (ii) Rupture discs.**
 - (iii) Safety relief valves.**
 - (D) Activities and equipment associated with on-site medical care not otherwise specifically regulated.**
 - (E) Vacuum producing devices for the purpose of removing potential accidental releases.**
- (43) New sources or modifications of existing sources that consist of only sampling and testing equipment and activities, including the following:**
- (A) Equipment used for quality control/assurance or inspection purposes, including sampling equipment used to withdraw materials for analysis.**
 - (B) Hydraulic and hydrostatic testing equipment.**
 - (C) Ground water monitoring wells and associated sample collection equipment.**
 - (D) Environmental chambers not using HAP gases.**
 - (E) Shock chambers.**

- (F) Humidity chambers.**
 - (G) Solar simulators.**
 - (H) Sampling activities, including:**
 - (i) sampling of waste; or**
 - (ii) glove box sampling, charging, and packaging.**
 - (I) Instrument air dryers and distribution.**
 - (J) VOC sampling activities associated with soil remediation projects.**
- (44) New sources or modifications of existing sources that consist of only use of consumer products and equipment where the product or equipment is used at a source in the same manner as normal consumer use and is not associated with any production process.**
- (45) New sources or modifications of existing sources that consist of only equipment and activities related to the handling, treating, and processing of animals, including the following:**
- (A) Equipment used exclusively to slaughter animals, but not including the following:**
 - (i) Rendering cookers.**
 - (ii) Boilers.**
 - (iii) Heating plants.**
 - (iv) Incinerators.**
 - (v) Electrical power generating equipment.**
 - (B) Veterinary operating rooms and laboratories.**
- (46) New sources or modifications of existing sources that consist of only activities generating limited amounts of fugitive dust, including the following:**
- (A) Fugitive emissions related to movement of passenger vehicles, provided the emissions are not counted for applicability purposes as a major source under 326 IAC 2-7-1(22)(B), and any required fugitive dust control plan or its equivalent is submitted.**
 - (B) Soil boring.**
 - (C) Road salting and sanding.**
- (47) New sources or modifications of existing sources that consist of only activities associated with production, including the following:**
- (A) Closed, nonvented tumblers used for cleaning or deburring metal products without abrasive blasting.**
 - (B) Electrical resistance welding.**
 - (C) Carbon dioxide (CO₂) lasers, used only on metals and other materials that do not emit HAPs as defined under Section 112(b) of the Clean Air Act in the process.**
 - (D) Laser trimmers that do not produce fugitive emissions and are equipped with a dust collection device such as a bag filter, cyclone, or equivalent device.**

- (E) Application equipment for hot melt adhesives with no VOC in the adhesive formulation.
 - (F) Drop hammers or hydraulic presses for forging or metalworking.
 - (G) Air compressors and pneumatically operated equipment, including hand tools.
 - (H) Compressor or pump lubrication and seal oil systems.
 - (I) Equipment used to mix and package soaps, vegetable oil, grease, animal fat, and nonvolatile aqueous salt solutions, provided appropriate lids and covers are utilized.
 - (J) Equipment for washing or drying fabricated glass or metal products, if no VOCs or HAPs as defined under Section 112(b) of the Clean Air Act are used in the process, and no gas, oil, or solid fuel is burned.
 - (K) Handling of solid steel, including coils and slabs, excluding scrap burning, scarfing, and charging into steel making furnaces and vessels.
- (48) New sources or modifications of existing sources that consist of only miscellaneous equipment, but not emissions associated with the process for which the equipment is used, and activities, including the following:
- (A) Equipment used for surface coating, painting, dipping, or spraying operation, except those that will emit VOCs or HAPs as defined under Section 112(b) of the Clean Air Act.
 - (B) Condensate drains for natural gas and landfill gas.
 - (C) Electric or steam heated drying ovens and autoclaves, including only the heating emissions and not any associated process emissions.
 - (D) Salt baths using nonvolatile salts, including caustic solutions that do not result in emissions of any regulated air pollutants.
 - (E) Ozone generators.
 - (F) Portable dust collectors.
 - (G) Scrubber systems circulating water based solutions of inorganic salts or bases that are installed to be available for response to emergency situations.
 - (H) Soil borrow pits.
 - (I) Manual loading and unloading operations.
 - (J) Purging of refrigeration devices using a combination of nitrogen and CFC-22 (R-22) as pressure test media.
 - (K) Construction and demolition operations.
 - (L) Mechanical equipment gear boxes and vents that are isolated from process materials.
 - (M) Nonvolatile mold release waxes and agents.

(e) 326 IAC 2-7, 326 IAC 2-8, or 326 IAC 2-9 shall not apply to a source operating in compliance the requirements of 326 IAC 2-10 or 326 IAC 2-11.

(f) 326 IAC 2-6.1 shall not apply to a source operating pursuant to one (1) of the following:

- (1) A Part 70 permit under 326 IAC 2-7.
- (2) A federally enforceable state operating permit (FESOP) under 326 IAC 2-8.
- (3) An operating agreement under 326 IAC 2-9.
- (4) A permit-by-rule under one (1) of the following rules:
 - (A) 326 IAC 2-10.
 - (B) 326 IAC 2-11.

(g) The requirements for an operating permit revisions under 326 IAC 2-6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1, the modification approval requirements under 326 IAC 2-7-10.5, or an administrative amendment under 326 IAC 2-7-11 or 326 IAC 2-8-10 shall not apply to the following modifications:

- (1) A modification that has the potential to emit less than one (1) ton per year of a single hazardous air pollutant (HAP) as defined under Section 112(b) of the CAA or two and five-tenths (2.5) tons per year of any combination of HAPs.
- (2) A modification at an existing source that consists only of changes in a method of operation, a reconfiguration of existing equipment or other minor physical changes, or a combination thereof, and that does not result in an increase in the potential to emit that:
 - (A) exceeds the significance levels established in 326 IAC 2-2-1 when subject only to specific emission limits contained in this title;
 - (B) exceeds the significance levels established in 326 IAC 2-3-1 when subject only to specific emission limits contained in this title;
 - (C) is subject to 326 IAC 2-4.1 concerning new source toxics control;
 - (D) is greater than or equal to fifteen (15) pounds per day of VOCs from an existing source in Lake or Porter County that has the potential to emit, as defined by 326 IAC 2-3-1(v), or actual emissions of twenty-five (25) tons per year;
 - (E) is greater than or equal to twenty-five (25) pounds per day of NOx from an existing source in Lake or Porter County that has the potential to emit, as defined by 326 IAC 2-3-1(v), or actual emissions of twenty-five (25) tons per year;
 - (F) is greater than or equal to one (1) ton or more per year of lead or lead compounds measured as elemental lead and the source is:
 - (i) a primary lead smelter;
 - (ii) a secondary lead smelter;
 - (iii) a primary copper smelter;
 - (iv) a lead gasoline additive plant; or
 - (v) a lead-acid storage battery manufacturing plant that produces two thousand (2,000) or more batteries per day;

(G) is greater than or equal to five (5) tons or more per year of lead or lead compounds measured as elemental lead and the source is not listed in clause (F);

(H) is greater than or equal to six-tenths (0.6) ton per year, for a source of lead emissions with a potential to emit greater than or equal to five (5) tons per year;

(I) is an emissions increase of VOC or NO_x subject to 326 IAC 2-3-2(b)(2) or 326 IAC 2-3-2(b)(3) at an existing source in Lake or Porter County that emits or has the potential to emit twenty-five (25) tons per year of VOC or NO_x.

(J) is greater than or equal to fifteen (15) tons per year particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀); or

(K) is subject to the provisions of 326 IAC 8-1-6 that has not previously been subject to review in accordance with 326 IAC 8-1-6.

(3) Temporary operations and experimental trials that involve construction, reconstruction, or modification and that meet the following criteria:

(A) The potential emissions from the construction or reconstruction of a facility or source or the potential emissions increase from the modification are less than twenty-five (25) tons for the duration of the operation.

(B) The construction, reconstruction, or modification are not major sources or modifications as defined by 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-7.

(C) The purpose of the construction, reconstruction, or modification is to:

(i) collect data for experimental purposes, including, but not limited to, process improvements, new product development, and pollution prevention; or

(ii) temporarily conduct an operation not considered part of the normal operation or production of the facility or source.

(D) The duration of the temporary operation or experimental trial is less than thirty (30) days of total operating time.

(E) If the construction, reconstruction, or modification is part of a soil or water remediation project, the duration of the project is less than twenty-four (24) hours or a greater period, not to exceed seventy-two (72) hours, as determined to be necessary by the department considering the nature of the project or the manner of testing, and the purpose of the project is to identify parameters necessary to design the remediation effort.

(F) If the construction, reconstruction, or modification would otherwise require a registration or construction permit, the owner or operator shall provide the commissioner written notice of the proposed construction, reconstruction, or modification at least seven (7) days before beginning the construction, reconstruction, or modification. The notice shall contain the

following information:

- (i) A description of the purpose of the construction, reconstruction, or modification.**
- (ii) A description of how the construction, reconstruction, or modification is experimental or not part of the normal operation or production of the facility or source.**
- (iii) The dates the owner or operator anticipates the construction, reconstruction, or modification to begin, operations to begin, and operations to cease.**
- (iv) An estimate of the potential emissions and actual emissions increase resulting from the construction or reconstruction.**
- (v) The equipment involved in the construction, reconstruction, or modification.**

(G) If the construction, reconstruction, or modification would otherwise require a registration or construction permit, the owner or operator shall provide the commissioner written notice of the proposed construction, reconstruction, or modification at most seven (7) days after concluding the temporary operation or experimental trial. The notice shall contain the following information:

- (i) The actual start date of the construction, reconstruction, or modification.**
- (ii) The duration of the temporary operation or experimental trial.**
- (iii) The actual emissions occurring during the temporary operation or experimental trial.**

(H) The exemption provided by this subsection shall not apply to facilities or sources whose operations are experimental in nature, part of pilot plants, or characterized by frequent product changes.

***Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-1.1-3*)**

326 IAC 2-1.1-4 Federal provisions

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 4. (a) Nothing in this article shall allow for the circumvention or violation of any federal law or regulation or the requirements under 326 IAC 2-2, 326 IAC 2-3, 326

IAC 2-4.1, 326 IAC 2-7, 326 IAC 2-8, or 326 IAC 2-9. In the case of a conflict between this rule and a provision of federal law or regulation, the more stringent requirement applies.

(b) Any person proposing the construction of a major prevention of significant deterioration (PSD) source or major PSD modification as defined under 326 IAC 2-2, that is or will be located in an attainment area or unclassified area under 326 IAC 1-4, shall comply with the requirements of 326 IAC 2-2 in addition to the applicable requirements of this rule.

(c) Any person proposing the construction or modification of a major source or emissions unit as defined under 326 IAC 2-3, that will:

- (1) significantly impact upon the air quality of a nonattainment area; or**
- (2) be located in a nonattainment area under 326 IAC 1-4,**

shall comply with the requirements of 326 IAC 2-3 in addition to the applicable requirements of this rule.

(Air Pollution Control Board; 326 IAC 2-1.1-4)

326 IAC 2-1.1-5 Air quality requirements

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: ; IC 13-15; IC 13-17

Sec. 5. (a) The commissioner shall not issue a registration, permit, or operating permit revision under this article if the commissioner determines the terms and conditions of the registration, permit, or operating permit revision:

- (1) would allow a source to cause or contribute to a violation of the National Ambient Air Quality Standards (NAAQS);**
- (2) would allow a violation of a PSD maximum allowable increase;**
- (3) do not assure compliance with all applicable air pollution control rules, except as provided by an enforceable compliance schedule; or**
- (4) are not protective of the public health.**

(b) The commissioner may require any source to perform an air quality analysis to demonstrate compliance with the NAAQS. *(Air Pollution Control Board; 326 IAC 2-1.1-5)*

326 IAC 2-1.1-6 Public notice

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15-5-3; IC 13-17

Sec. 6. (a) Registrations, permits and operating permit revisions issued under this article shall be subject to the following public notice requirements, except as otherwise required in this article. The commissioner shall notify the public of the opportunity to

comment on the proposed approval or denial of the permit or operating permit revision as follows:

(1) The commissioner shall provide notice of the receipt of a permit or operating permit revision application to the following:

(A) The county executive of a county that is affected by the permit application.

(B) The executive of a city that is affected by the permit application.

(C) The executive of a town council of a town that is affected by the permit application.

(1) (2) The commissioner shall publish a notice requesting comment on the proposed permit or permit revision approval or denial in a newspaper of general circulation in the area where the source or emissions unit is located.

(2) (3) The commissioner shall provide notice to those parties listed in IC 13-15-5-3(c).

(3) (4) The commissioner shall provide a document supporting the proposed permit or permit revision for public inspection in the offices of the local air pollution control agency or the local health commissioner.

(4) (5) The commissioner shall allow a period of at least thirty (30) calendar days opportunity for public comment.

(5) (6) The commissioner may allow opportunity for a public hearing, unless otherwise noted.

(b) The following approvals and operating permit revisions shall not be subject to the public notice requirements of this rule:

(1) Registrations issued pursuant to 326 IAC 2-5.1-2.

(2) Notice-only operating permit revisions pursuant to 326 IAC 2-6.1-6(c).

(3) Administrative amendments pursuant to 326 IAC 2-7-11 and 326 IAC 2-8-10.

(4) A determination by the commissioner that a source is exempt from the requirements of this article.

(c) Within ten (10) days of the submission of an application, each applicant shall place a copy of the permit application or operating permit revision application for public review at a library in the county where the construction or modification is proposed. Each applicant shall notify the commissioner of the location of the library where the copy of the application was placed.

(d) Any person applying for a permit upon land that is either undeveloped or for which a valid existing permit has not been issued shall make, not more than ten (10) working days after submitting the permit application, a reasonable effort to provide notice to all owners or occupants of land adjoining the land which is the subject of the application. Each applicant shall pay the cost of compliance with this subsection. The

notice shall be in writing and include the date on which the application was submitted and a brief description of the subject of the application.

(e) Any person may be included on a list of potentially affected persons upon notification to the commissioner. Each person shall provide written notice requesting to be included on a public notice list. (*Air Pollution Control Board; 326 IAC 2-1.1-6*)

326 IAC 2-1.1-7 Fees

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11; IC 13-17-8

Affected: IC 13-15; IC 13-16-2; IC 13-17

Sec. 7. The applicant shall pay a fee based upon the cost to the commissioner of processing and reviewing the applicable registration, permit, or operating permit revision application and the cost of determining compliance with the terms and conditions of a permit. Except for sources identified in subdivision (5)(A), (5)(B), or (5)(E), sources subject to 326 IAC 2-7-19 are exempt from the fees established by subdivisions (1) and (4) through (6). Sources that have received a permit pursuant to 326 IAC 2-8 are exempt from the fees established by subdivisions (1) and (4) through (6) except to the extent provided in 326 IAC 2-8-16. Sources subject to 326 IAC 2-9 are exempt from the fees established by subdivision (1). The fees are established as follows:

(1) A basic filing fee of one hundred dollars (\$100) shall be submitted with any application submitted to the commissioner for review in accordance with this article.

(2) A fee of five hundred dollars (\$500) shall be submitted upon billing for:

(A) a registration under 326 IAC 2-5.1-2;

(B) a minor permit revision under ~~326 IAC 2-6.1-6(f)~~ 326 IAC 2-6.1-6(g) or ~~326 IAC 2-8-11.1(c); 326 IAC 2-8-11.1(d);~~ or

(C) a modification under ~~326 IAC 2-7-10.5(c); 326 IAC 2-7-10.5(e).~~

(3) At the time the notice of a proposed permit, modification approval, or permit revision is published under 326 IAC 2-5.1-3, ~~326 IAC 2-6.1-6(h); 326 IAC 2-6.1-6(i), 326 IAC 2-8-11.1(d); 326 IAC 2-8-11.1(f),~~ or a modification under ~~326 IAC 2-7-10.5(e); 326 IAC 2-7-10.5(g),~~ permit or significant permit revision fees shall be assessed as follows:

(A) A construction permit, modification approval, or significant permit revision approval fee of three thousand five hundred dollars (\$3,500) shall be submitted upon billing for those sources subject to 326 IAC 2-5.1-3, ~~326 IAC 2-6.1-6(h); 326 IAC 2-6.1-6(i), 326 IAC 2-7-10.5(e); 326 IAC 2-7-10.5(g), or 326 IAC 2-8-11.1(d); 326 IAC 2-8-11.1(f).~~ The fee assessed under subdivision (1) shall be credited toward this fee.

(B) A construction permit fee of six thousand dollars (\$6,000) shall be submitted upon billing for those applications requiring review for PSD

requirements under 326 IAC 2-2 or emission offset under 326 IAC 2-3. The fees assessed under subdivision (1) and clause (A) shall be credited toward this fee.

(C) Air quality analyses fees shall be assessed as follows:

- (i) A fee of three thousand five hundred dollars (\$3,500) shall be submitted upon billing if an air quality analysis is required under 326 IAC 2-2-4 or 326 IAC 2-3-3.
- (ii) In lieu of the fee under item (i), a fee of six thousand dollars (\$6,000) shall be submitted upon billing for an air quality analysis, per pollutant performed by the commissioner upon request of the source owner or operator. The commissioner may deny a request to perform an air quality analysis.

(D) Fees for control technology analyses for best available control technology (BACT) under 326 IAC 2-2-3, or lowest achievable emission rate (LAER) under 326 IAC 2-3-3 shall be assessed as follows per emissions unit or group of identical emissions unit, units, for which a control technology analysis is required:

- (i) A fee of three thousand dollars (\$3,000) shall be submitted upon billing if two (2) to five (5) control technology analyses are required.
- (ii) A fee of six thousand dollars (\$6,000) shall be submitted upon billing if six (6) to ten (10) control technology analyses are required.
- (iii) A fee of ten thousand dollars (\$10,000) shall be submitted upon billing if more than ten (10) control technology analyses are required.

(E) Miscellaneous fees to cover technical and administrative costs shall be assessed as follows:

- (i) A fee of five hundred dollars (\$500) shall be submitted upon billing for each review for an applicable national emission standard for hazardous air pollutants under 326 IAC 14 or 326 IAC 20 or an applicable new source performance standard under 326 IAC 12.
- (ii) A fee of five hundred dollars (\$500) shall be submitted upon billing for each public hearing conducted prior to issuance of the permit or modification approval.
- (iii) A fee of six hundred dollars (\$600) shall be submitted upon billing for each control technology analysis for BACT for volatile organic compounds under 326 IAC 8-1-6 and for maximum achievable control technology under 326 IAC 2-4.1.

(4) Annual operating permit fees shall be assessed as follows:

- (A) A basic permit fee of two hundred dollars (\$200) shall be submitted upon billing for each operating permit required under 326 IAC 2-6.1.
- (B) A fee of six hundred dollars (\$600) shall be submitted upon billing for each source with a potential to emit greater than five (5) tons per year of

lead.

(C) A fee of one hundred dollars (\$100) shall be submitted upon billing for a relocation approval for a portable source.

(5) In lieu of fees assessed under subdivision (4), annual operating permit fees shall be assessed for identified source categories as follows:

(A) During the years 1995 through 1999 inclusive, a fee of fifty thousand dollars (\$50,000), less any amount credited under this clause, shall be charged to an electric power plant for a Phase I affected unit, as identified in Table A of Section 404 of the CAA, or for a substitution unit as determined by the U.S. EPA in accordance with Section 404 of the CAA. Any fees paid by that plant for non-Phase I units under 326 IAC 2-7-19 shall be credited toward this fee. Prior to 1995, a fee of three thousand dollars (\$3,000) shall be submitted upon billing by the sources described in this clause. The existence of a Phase I unit at an electric power plant does not affect the plant's duty to pay fees for non-Phase I units at the plant.

(B) A fee for each coke plant equal to the costs to the commissioner associated with conducting the surveillance activities required to determine compliance with 40 CFR 63, Subpart L* and 57 FR 57898 (National Emission Standards for Coke Oven Batteries) and 57 FR 57898 shall be submitted upon billing. Any fee collected under this clause shall not exceed one hundred twenty-five thousand dollars (\$125,000).

(C) A fee of six hundred dollars (\$600) shall be submitted upon billing for each surface coal mining operation per mining area or pit.

(D) A fee of two hundred dollars (\$200) shall be submitted upon billing for each grain terminal elevator as defined in 326 IAC 1-2-33.2.

(E) A fee of twenty-five thousand dollars (\$25,000) shall be submitted upon billing for a municipal solid waste incinerator with capacity greater than two hundred fifty (250) tons per day.

(6) In addition to the fees assessed under subdivisions (1) through (5), miscellaneous fees to cover technical and administrative costs shall be assessed to sources subject to this section, except for sources subject to fees established in subdivision (5)(A),

(5)(B), or (5)(E) as follows:

(A) A fee of one thousand four hundred dollars (\$1,400) shall be submitted upon billing for any air quality network required by permit.

(B) A fee of seven hundred dollars (\$700) shall be paid for review under 326 IAC 3 of any source sampling test required by permit, per emissions unit. This fee shall be paid upon submittal of a protocol for the stack test as required by 326 IAC 3.

(C) A fee of two hundred dollars (\$200) shall be submitted upon billing for each opacity or pollutant continuous emission monitor required by permit.

(7) Fees shall be paid by mail or in person and shall be paid upon billing by check

or money order, payable to "Cashier, Indiana Department of Environmental Management" no later than thirty (30) days after receipt of billing. Nonpayment may result in denial of a permit application or revocation of the permit.

(8) If an annual fee is being paid under a fee payment schedule established under IC 13-16-2, the fee shall be paid in accordance with that schedule. Establishment of a fee payment schedule must be consistent with IC 13-16-2, including the determination that a single payment of the entire fee is an undue hardship on the person and that the commissioner is not required to assess installments separately. Failure to pay in accordance with the fee payment schedule that results in substantial nonpayment of the fee may result in revocation of the permit.

(9) Fees are nonrefundable. If the permit is denied or revoked or the source or emissions unit is shut down, the fees shall neither be refunded nor applied to any subsequent application or reapplication.

(10) If a permit becomes lost or damaged, a replacement may be requested.

(11) The commissioner may adjust all fees on January 1 of each calendar year by the Consumer Price Index (CPI) using revision of the CPI that is most consistent with the CPI for the calendar year 1995.

(Air Pollution Control Board; 326 IAC 2-1.1-7)

326 IAC 2-1.1-8 Time periods for determination on permit applications

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 4-21.5; IC 13-15; IC 13-17

Sec. 8. (a) The department shall approve or deny an application received by the department within the following number of calendar days from receipt of such application:

(1) Two hundred seventy (270) days for an application concerning an air pollution construction permit for a major source or major modification, modification approval, a significant permit revision under 326 IAC 2-6.1-6(h)(1)(A), 326 IAC 2-6.1-6(i)(1)(A), 326 IAC 2-7-10.5(e)(1), 326 IAC 2-7-10.5(g)(1), or 326 IAC 2-8-11.1(d)(1)(A), 326 IAC 2-8-11.1(f)(1)(A), or a federally enforceable state operating permit (FESOP) under 326 IAC 2-8. For FESOP applications submitted before July 1, 1995, the two hundred seventy (270) days shall commence July 1, 1995.

(2) One hundred twenty (120) days for an application concerning an air pollution construction permit for a minor source required under 326 IAC 2-5.1-3 or a significant permit revision required under 326 IAC 2-6.1-6(h)(1)(B) through 6(h)(1)(K), 326 IAC 2-6.1-6(i)(1)(B) through 6(i)(1)(K), 326 IAC 2-7-10.5(e)(2) through 2-7-10.5(e)(10), 326 IAC 2-7-10.5(g)(2) through 2-7-10.5(g)(10), or 326 IAC 2-8-11.1(d)(1)(B) through 2-8-11.1(d)(1)(K), 326 IAC 2-8-11.1(f)(1)(B) through 2-8-11.1(f)(1)(K).

(3) Sixty (60) days for an application concerning an air pollution registration

required under 326 IAC 2-5.1-2 or a source specific operating agreement under 326 IAC 2-9.

(4) Forty-five (45) days for an application concerning a minor permit revision described under 326 IAC 2-6.1-6(f), 326 IAC 2-6.1-6(g), 326 IAC 2-7-10.5(c), 326 IAC 2-7-10.5(e), or 326 IAC 2-8-11.1(c)(1); 326 IAC 2-8-11.1(d)(1).

(5) Forty-five (45) days shall be added to the time period established in this subsection if the department determines that a public hearing should be held under 326 IAC 2-1.1-6.

(b) The department shall approve or deny an application filed with the department within the time period described under subsection (a) unless:

- (1) the general assembly enacts a statute that imposes a new requirement on permit applications that makes it infeasible for the department to approve or deny the application within the applicable time period specified in subsection (a); or
- (2) the department and an applicant, in regard to a particular permit application, agree in writing to extend the time period allowed under subsection (a).

(c) The time period described under subsection (a) shall begin and end as follows:

(1) The time period begins on:

- (A) the date an application and a required fee is received and stamped received by the department; or
- (B) the date marked by the department on a certified mail return receipt accompanying an application and a required fee;

whichever is earlier.

(2) The time period ends on the date that the department's decision to approve or deny an application is issued.

(d) The time period described under subsection (a) may be suspended if:

- (1) the department receives a written request from an applicant to suspend processing of the application so that an issue related to an application can be resolved or additional information concerning an application can be provided; or
- (2) the department mails a request for additional information to the applicant describing the reasons the application is not complete after determining that any of the following apply:

- (A) An application does not contain all of the information or documents, required by rules adopted by the board, that the department needs to process the application.
- (B) An application contains provisions that are not consistent with an applicable rule or law.
- (C) An applicant fails to pay the required fee or submits a check that is not covered with sufficient funds.

(e) The time period described under subsection (a) shall be suspended on the day the applicant receives the department's request for additional information.

(f) The department may request, as part of a request for additional information, that an applicant conduct tests or sampling to provide information, consistent with requirements in rules adopted by the board, that is necessary for the department to process the application.

(g) The time period described under subsection (a) shall resume:

(1) on the date the department receives, and stamps as received, the information or payment completing the application; or

(2) on the date marked on the certified mail return receipt that accompanied information or payment completing the application;

whichever is earlier.

(h) If an applicant's response does not provide all information requested in the request for additional information, the department shall notify the applicant within forty-five (45) calendar days after receiving the response. If the department finds an application to be incomplete after reviewing an applicant's response to a second or subsequent request for additional information, the department shall:

(1) deny the application pursuant to subsection (j); or

(2) choose to issue a further request for additional information;

however, the time period described in subsection (a) may not be suspended unless the applicant agrees in writing to defer processing of the application pending the applicant's response to the request for additional information.

(i) The department shall inform a source of the status of the department's review of the source's application or shall issue a request for additional information:

(1) within thirty (30) calendar days of the day an application concerning an air pollution construction permit for a minor source or a minor modification was filed with the department; and

(2) within forty-five (45) calendar days of the day an application concerning an air pollution construction permit for a major source or major modification was filed with the department.

This rule does not establish a time frame for responding to air registration applications filed with the department other than that listed in subsection (a).

(j) The department may deny a permit application because the application is incomplete if an applicant:

(1) fails to submit, within sixty (60) calendar days of receipt of a request for additional information, the requested information or a schedule for providing the

requested information;

(2) does not adhere to the schedule submitted under subdivision (1); or

(3) fails to submit, within thirty (30) calendar days of receipt of a request for payment, a required fee or submits a check that is not covered with sufficient funds.

(k) The department may deny a permit application because it contains provisions that are not consistent with applicable rule or law.

(l) A permit application fee for renewal of an operating permit or an annual fee for an operating permit is nonrefundable.

(m) If the department does not issue or deny a construction permit, registration, or permit revision within the time period specified under subsection (a), the department shall automatically refund the permit, registration, or permit revision application fee paid by the applicant, except as described in subsections (n)(2).

(n) Upon expiration of the specified time period in subsection (a), the department shall do the following:

(1) Provide the applicant with a written determination of whether the time period specified under subsection (a) has expired.

(2) If the time period under subsection (a) has expired, the department shall refund the applicant's application fee within thirty (30) calendar days of the expiration of the time period specified in subsection (a). The department shall not refund the application fee if, within thirty (30) calendar days of the expiration of the time period specified in subsection (a), the department determines:

(A) one (1) or more of the proposed emissions units is in operation without prior written authorization from the department; or

(B) construction has commenced on one (1) or more of the emissions units without prior written authorization from the department.

(3) If the applicant is eligible for a refund of the application fee, the department shall do the following:

(A) Continue to review the application.

(B) Approve or deny the application as soon as practicable.

(C) Not bill the applicant for additional charges related to the application.

(D) Issue a schedule to the applicant for making a final determination on the pending application.

(o) The department shall present a report to the air pollution control board by October 15 of each calendar year, beginning in 1993. The report shall contain an evaluation of the actions taken by the department to improve the process of issuing air permits. The report shall include the following information for permits subject to the

permit schedules in subsection (a) and for permit renewal applications:

- (1) The number of permit applications received and the number of permits issued or denied in the previous calendar year and the number of pending applications.
- (2) A description of the reduction or increase in the number of permit applications in the air permit program during the preceding calendar year.
- (3) The median review time spent on applications and renewals.
- (4) The number of public hearings requested and conducted.
- (5) The amount of air program permit fees collected and air program fee revenue spent during the preceding calendar year and the amount of fees refunded.
- (6) A discussion of possible increases or decreases in the operating costs of the department's air program permit and inspection activities.
- (7) A discussion of the measures that have been taken by the department to improve the operating efficiency of the air permit and inspection programs.
- (8) The amount of time the department spent conducting hearings on appeal and objections hearings under IC 4-21.5 regarding air permits.
- (9) The number of requests for additional information issued by the department under subsection (d).
- (10) A discussion of the department's operational goals for the air program in the next twelve (12) months. The goals shall include processing at least ninety-five percent (95%) of the permit applications within the time frames listed under subsection (a).

(p) The remedies provided in subsections (m) and (n) are not the only remedies available to a permit applicant. A permit applicant is not prohibited from seeking other remedies available at law or in equity. (*Air Pollution Control Board; 326 IAC 2-1.1-8*)

326 IAC 2-1.1-9 Revocation

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 9. Any permit to construct or operate or any permit revision approval granted by the commissioner may be revoked for any of the following reasons:

- (1) Violation of any conditions of the permit or permit revision approval.
- (2) Failure to disclose all the relevant facts or misrepresentation in obtaining the permit or permit revision approval.
- (3) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of a permit shall not require revocation of a permit.
- (4) Noncompliance with an order issued pursuant to 326 IAC 1-5 to reduce emissions during an air pollution episode.
- (5) For a permit authorizing construction, failure to commence construction of the

source or emissions unit within eighteen (18) months from the date of the issuance of the permit, or if during the construction of the source or emissions unit, work is suspended for a continuous period of one (1) year or more.

(6) Any other cause that establishes in the judgment of the commissioner the fact that continuance of the permit or permit revision approval is not consistent with the purposes of this article.

(Air Pollution Control Board; 326 IAC 2-1.1-9)

326 IAC 2-1.1-10 Local agencies

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15-6; IC 13-17

Sec. 10. (a) A local agency may be authorized by the commissioner to do the following:

- (1) Process and review applications for registrations, construction permits, operating permits, and operating permit revisions required under this article.**
- (2) Issue or deny registrations, construction permits, operating permits, and permit revision approvals in accordance with the requirements of this article as a designated representative of the commissioner.**

Such authorization may be in the form of a written agreement or contract between the commissioner and the local agency.

(b) Emission limitations, monitoring, testing, reporting, and record keeping requirements may be established by a designated local agency. If the commissioner determines that an emission limitation in a permit or permit revision approval, that has been proposed or issued by any local agency, conflicts with the attainment or maintenance of an ambient air quality standard or does not assure compliance with an applicable requirement, the commissioner shall do the following:

- (1) Notify the local agency of the conflict and give the local agency sixty (60) days within which to resolve the conflict.**
- (2) The commissioner shall issue or deny the permit or permit revision in accordance with this article and IC 13-15-6, if the conflict is not resolved within sixty (60) calendar days.**

(c) A local agency may be authorized by the commissioner to perform compliance related activities as a designated representative, including those activities under section 10 of this rule. The authorization may be in the form of a written agreement or contract between the commissioner and the local agency.

(d) A local governmental unit may be authorized by the commissioner to collect all or part of the permit fees established in this rule or to substitute a permit fee schedule that

meets the requirement of approximating the costs to the department and the local agency of processing and reviewing the applicable construction or operating permit or other activity and the costs of determining compliance with the terms and conditions of such permit and applicable rules. Such authorization may be in the form of a written agreement or contract between the commissioner and the local agency and shall specify the fee schedule to be applied and the recipient of the fees. (*Air Pollution Control Board; 326 IAC 2-1.1-10*)

326 IAC 2-1.1-11 Compliance requirements

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 11. The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner or the U.S. EPA. The compliance requirements shall apply to all sources issued a registration, permit or permit revision under this article. (*Air Pollution Control Board; 326 IAC 2-1.1-11*)

326 IAC 2-1.1-12 Emissions cap programs

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 12. (a) This section applies to sources operating pursuant to a Part 70 permit under 326 IAC 2-7 or a federally enforceable state operating permit (FESOP) under 326 IAC 2-8. The owner or operator may request that the commissioner include terms and conditions establishing an emissions cap program or programs for one (1) or more pollutants.

(b) For a source applying for an emissions cap program or programs, the commissioner may issue a Part 70 or FESOP permit that includes terms and conditions necessary to assure compliance with applicable air quality rules and that allow the owner or operator to undertake changes at the source, without preconstruction approval or operating permit revision, as long as compliance with the emissions cap program or programs is maintained.

(c) An emissions cap program or programs may be based on one (1) of the following:

(1) Actual emissions, not to exceed allowable emissions, including a reasonable operating margin that is less than the significant emissions rate as defined in 326 IAC 2-2-1. Actual emissions shall be calculated using the actual emissions for any

twelve (12) consecutive months during the one hundred twenty (120) months preceding the request for an emissions cap program or programs.

(2) The prevention of significant deterioration (PSD) permitted allowable emissions for sources that have received a PSD permit. For sources located in nonattainment areas and subject to 326 IAC 2-3, the permit must have been issued within the past five (5) years.

(3) A permit limitation, not to exceed allowable emissions, on the potential to emit of a pollutant that is less than the applicability thresholds of 326 IAC 2-2, 326 IAC 2-3, 326 IAC 2-4.1, or other applicable requirement provided that control technology has been reviewed for all permitted emissions under the emissions cap program or programs.

The emissions cap program or programs may consist of a plant-wide applicability limit or multiple caps, except if the multiple caps would allow a violation of 326 IAC 2-2 or 326 IAC 2-3.

(d) In addition to the application information required under 326 IAC 2-7-4(c) and 326 IAC 2-8-3(c), an application requesting an emissions cap program or programs shall include the following information:

(1) Identification, description, and location of the emission units or processes that will be included under and comply with an emissions cap program or programs.

(2) Identification of any emission limitations or standards or other requirements applicable to the pollutants, emission units, or processes to be included under an emissions cap program or programs.

(3) A description of an emissions cap program or programs to be established at the sources. The emissions cap program or programs may consist of a plant-wide applicability limit or multiple limits, except if the multiple limits would allow a violation of 326 IAC 2-2 or 326 IAC 2-3.

(4) A description of any new applicable requirements, permit terms, or conditions that may apply.

(5) A description of the record keeping, reporting, and compliance monitoring requirements to be implemented with the emissions cap program or programs.

(6) Emissions information or other relevant information to be used for the basis of the emissions cap program or programs.

(e) In addition to the permit content and compliance requirements under 326 IAC 2-7 and 326 IAC 2-8, a permit that includes an emissions cap program or programs shall include the following:

(1) All terms necessary to determine compliance with the emissions cap program or programs and all associated applicable requirements.

(2) A federally enforceable emission limit or limits.

(3) Terms and conditions that allow construction of new emissions units or

reconstruction or modification of existing emissions units or processes that would otherwise require preconstruction approval or operating permit revision, provided the actual emissions from the emissions units or processes specified under an emissions cap program or programs or to be included under the emissions cap program or programs, do not exceed the emissions cap limit or limits.

(4) Terms and conditions that allow for trading of emission increases and decreases solely for the purpose of complying with the emissions cap program or programs, provided the permit contains adequate terms and conditions to determine compliance with the limit and with any emissions trading provisions.

(5) Replicable procedures and permit terms that ensure the emissions cap limit or limits is enforceable and changes pursuant to the limit are quantifiable and enforceable.

(6) Monitoring, testing, reporting, and record keeping requirements that assure all reasonable information is provided to evaluate continuous compliance with the permit terms and conditions, the requirements of this title, and the Clean Air Act.

(7) Terms and conditions that require the owner or operator to provide notice to the commissioner for those changes under an emissions cap program limit that would have otherwise required preconstruction or modification approval or operating permit revision.

(8) Terms and conditions that provide for future review of the emissions cap program or programs and associated permit conditions that could affect the limit or limits.

(f) An owner or operator of a source operating a source pursuant to a Part 70 or FESOP permit that includes an emissions cap program or programs may make changes under the emissions cap limit that would otherwise require preconstruction or modification approval or operating permit revision provided the commissioner receives notification at least ten (10) days before beginning actual construction of each physical or operational change. The notice shall:

(1) include the company name and address and source and permit identification numbers;

(2) describe the physical or operational change, including an estimate of the potential to emit of the emissions associated with the change;

(3) identify on the layout diagram of the source what unit or units the physical or operational change will affect;

(4) provide the schedule for constructing or implementing the physical or operational change;

(5) identify any additional applicable requirements that are applicable to the physical or operational change and include any monitoring, record keeping, or reporting requirements to assure compliance with the applicable requirements;

(6) provide a certification for all regulated pollutants, except the pollutant for

which the emissions cap limit has been established, that demonstrates that the physical or operational change will not trigger any federal or state permitting requirement for any regulated pollutant; and
(7) provide a certification that the physical or operational change will not result in emissions greater than the emissions cap limit.

(Air Pollution Control Board; 326 IAC 2-1.1-12)

SECTION 8. 326 IAC 2-2-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-2-1 Definitions

Authority: IC 13-14-8; IC 13-17-3

Affected: IC 13-15; IC 13-17

Sec. 1. (a) The definitions in this section apply throughout this rule.

(b) "Actual emissions" means the actual rate of emissions of a pollutant from an emissions unit, as determined in accordance with the following:

(1) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a two (2) year period which precedes the particular date and which is representative of normal source operation. The department shall allow the use of a different time period upon a determination that it is more representative of normal source operation. Actual emissions shall be calculated using the unit's actual operating hours, production rates, and types of materials processed, stored, or combusted during the selected time period.

(2) The department may presume that source-specific allowable emissions for the unit are equivalent to the actual emissions of the unit.

(3) For any emissions unit which has not begun normal operations on the particular date, actual emissions shall equal the potential to emit of the unit on that date.

(c) "Allowable emissions" means the emissions rate of a source calculated using the maximum rated capacity of the source (unless a source is subject to enforceable permit limits which restrict the operating rate, or hours of operation, or both) and the most stringent of:

(1) the applicable standards as set forth in 40 C.F.R. 60 and **40 C.F.R.** 61;*

(2) the state implementation plan emissions limitation, including those with a future compliance date; or

(3) the emissions rate specified as an enforceable permit condition, including those with a future compliance date.

(d) "Baseline area" means any intrastate area (and every part thereof) designated as attainment or unclassifiable in accordance with 326 IAC 1-4 in which the major PSD source or major PSD modification establishing the minor source baseline date would construct or would

have an air quality impact equal to or greater than one microgram per cubic meter ($1\mu\text{g}/\text{m}^3$) (annual average) of the pollutant for which the minor source baseline date is established.

(e) "Baseline concentration" means that ambient concentration level which exists in the baseline area at the time of the applicable minor source baseline date. The baseline concentration is determined for each pollutant for which a baseline date is established and shall include the following:

- (1) The actual emissions representative of sources in existence on the applicable minor source baseline date, except as provided in subdivision (3).
- (2) The allowable emissions of major PSD sources which commenced construction before the major source baseline date, but were not in operation by the applicable minor source baseline date.
- (3) The following will not be included in the baseline concentration and will affect the applicable maximum allowable increase(s):
 - (A) Actual emissions from any major PSD source on which the construction commenced after the major source baseline date.
 - (B) Actual emissions increases and decreases at any source occurring after the minor source baseline date.

(f) "Begin actual construction" means, in general, initiation of physical on-site construction activities on an emissions unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying underground pipework and construction of permanent storage structures. With respect to a change in method of operations, this term refers to those on-site activities other than preparatory activities which mark the initiation of the change.

(g) "Best available control technology" means an emissions limitation (including a visible emissions standard) based on the maximum degree of reduction for each pollutant subject to regulation under the provisions of the Clean Air Act which would be emitted from any proposed major PSD source or major PSD modification which the commissioner, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such source or modification through application of production processes or available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combustion techniques for control of such pollutant. In no event shall application of best available control technology result in emissions of any pollutant which would exceed the emissions allowed by any applicable standard under 40 C.F.R. 60 and **40 C.F.R. 61**.^{*} If the commissioner determines that technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard not feasible, a design, equipment, work practice, operational standard, or combination thereof, may be prescribed instead to satisfy the requirements for the application of best available control technology. Such standard shall, to the degree possible, set forth the

emissions reduction achievable by implementation of such design, equipment, work practice or operation, and shall provide for compliance by means which achieve equivalent results.

(h) "Building, structure, facility, or installation" means all of the pollutant-emitting activities which belong to the same industrial grouping, are located on one (1) or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control). Pollutant-emitting activities shall be considered as part of the same industrial grouping if they belong to the same "major group," (i.e., which have the same first two (2) digit code) as described in the Standard Industrial Classification Manual, 1972, as amended by the 1977 Supplement (U.S. Government Printing Office).

(i) "Commence", as applied to construction of a major PSD source or major PSD modification, means that the owner or operator has all necessary preconstruction approvals or permits and either has:

- (1) begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time; or
- (2) entered into binding agreements or contractual obligations, which cannot be cancelled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(j) "Complete" means, in reference to an application for a permit, that the application contains all of the information necessary for processing the application. Designating an application complete for purposes of permit processing does not preclude the department from requesting or accepting any additional information.

(k) "Construction" means any physical change or change in the method of operation (including fabrication, erection, installation, demolition, or modification of an emissions unit) which would result in a change in actual emissions.

(l) "Emissions unit" means any part of a stationary source which emits or would have the potential to emit any pollutant regulated under the provisions of the Clean Air Act.

(m) "Fugitive emissions" means those emissions which could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.

(n) "Innovative control technology" means any system of air pollution control that has not been adequately demonstrated in practice, but would have a substantial likelihood of achieving greater continuous emissions reduction than any control system in current practice or of achieving at least comparable reductions at lower cost in terms of energy, economics, or nonair quality environmental impacts.

(o) "Major PSD modification" means any physical change in, or change in the method of operation of, a major PSD source that would result in significant net emissions increase of any pollutant which is being regulated under the Clean Air Act.

(1) Any net emissions increase that is significant for volatile organic compounds shall be considered significant for ozone.

(2) A physical change or change in the method of operation shall not include the following:

(A) Routine maintenance, repair and replacement.

(B) Use of an alternative fuel or raw material by reason of an order under Sections 2(a) and (b) of the Energy Supply and Environmental Coordination Act of 1974 or by reason of a natural gas curtailment plan pursuant to the Federal Power Act.

(C) Use of an alternative fuel by reason of an order under Section 125 of the Clean Air Act.

(D) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.

(E) Use of an alternative fuel or raw material by a source which:

(i) the source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any enforceable permit condition which was established after January 6, 1975, pursuant to 40 C.F.R. 52.21 or under this rule or 326 IAC 2-3; or

(ii) the source is approved to use under any permit issued under 40 C.F.R. 52.21 or under this rule.

(F) An increase in the hours of operation or in the production rate, unless such change would be prohibited under any enforceable permit condition which was established after January 6, 1975, pursuant to 40 C.F.R. 52.21 or under this rule or 326 IAC 2-3.

(G) Any change in ownership at a source.

(p) "Major PSD source" means the following:

(1) Any of the following stationary sources of air pollutants which are located or may be located in an attainment or unclassifiable area as designated in 326 IAC 1-4 and which **emits** ~~emit~~ or have the potential to emit one hundred (100) tons per year or more of any pollutant subject to regulation under the Clean Air Act:

(A) Fossil fuel-fired steam electric plants of more than two hundred fifty (250) million British thermal units per hour heat input.

(B) Coal cleaning plants (with thermal driers).

(C) Kraft pulp mills.

(D) Portland cement plants.

(E) Primary zinc smelters.

(F) Iron and steel mill plants.

- (G) Primary aluminum ore reduction plants.
 - (H) Primary copper smelters.
 - (I) Municipal incinerators capable of charging more than two hundred fifty (250) tons of refuse per day.
 - (J) Hydrofluoric, sulfuric, and nitric acid plants.
 - (K) Petroleum refineries.
 - (L) Lime plants.
 - (M) Phosphate rock processing plants.
 - (N) Coke oven batteries.
 - (O) Sulfur recovery plants.
 - (P) Carbon black plants (furnace process).
 - (Q) Primary lead smelters.
 - (R) Fuel conversion plants.
 - (S) Sintering plants.
 - (T) Secondary metal production plants.
 - (U) Chemical process plants.
 - (V) Fossil fuel boilers (or combinations thereof) totaling more than two hundred fifty (250) million British thermal units per hour heat input.
 - (W) Taconite ore processing plants.
 - (X) Glass fiber processing plants.
 - (Y) Charcoal production plants.
 - (Z) Petroleum storage and transfer units with a total storage capacity exceeding three hundred thousand (300,000) barrels.
- (2) Any stationary source with potential PSD emissions of two hundred fifty (250) tons per year or more of any air pollutant subject to regulation under the Clean Air Act.
- (3) Any of the following stationary sources with potential emissions of five (5) tons per year or more of lead or lead compounds measured as elemental lead:
- (A) Primary lead smelters.
 - (B) Secondary lead smelters.
 - (C) Primary copper smelters.
 - (D) Lead gasoline additive plants.
 - (E) Lead-acid storage battery manufacturing plants that produce two thousand (2,000) or more batteries per day.
- (4) Any other stationary source with potential emissions of twenty-five (25) or more tons per year of lead or lead compounds measured as elemental lead.
- (5) Any major PSD modification as defined in this rule.
- (6) Any physical change occurring at a stationary source not qualifying under subdivisions (1) through (6), if the change would by itself qualify as a major PSD source under subdivisions (1) through (5).
- (7) Notwithstanding subdivisions (1) through (6), the following sources shall not be considered a major PSD source:

(A) A source or modification of a source where it would qualify under subdivisions (1) through (6) only if fugitive emissions, to the extent quantifiable, are considered in calculating potential to emit of the stationary source or modification and such source does not belong to any of the categories listed in subdivision (1) or any other stationary source category which, as of August 7, 1980, is being regulated under ~~Sections~~ **Section** 111 or 112 of the Clean Air Act (42 U.S.C. 7411; **or 42 U.S.C. 7412**).

(B) A source or modification of a source which is a portable stationary source which has previously received a permit complying with ~~326 IAC 2-1-3~~ **326 IAC 2-5.1-3 or 326 IAC 2-7** and section 3 of this rule if:

- (i) the source proposes to relocate and emissions of the source at the new location would be temporary;
- (ii) the emissions from the source would not exceed its allowable emissions;
- (iii) emissions from the source would impact no area where an applicable increment is known to be violated; and
- (iv) ten (10) days advance notice is given to the board prior to the relocation identifying the proposed new location and probable duration of the operation at the new location.

(8) A major PSD source that is major for volatile organic compounds shall be considered major for ozone.

(q) "Major source baseline date" means the following:

- (1) In the case of particulate matter and sulfur dioxide, January 6, 1975.
- (2) In the case of nitrogen dioxide, February 8, 1988.

(r) "Minor source baseline date" means the earliest date after the trigger date on which a major PSD source or major PSD modification subject to the requirements of this rule or to 40 C.F.R. 52.21 submits a complete application under the relevant regulations. The trigger date is the following:

- (1) In the case of particulate matter and sulfur dioxide, January 6, 1975.
- (2) In the case of nitrogen dioxide, February 8, 1988.

(s) "Necessary preconstruction approvals or permits" means those permits or approvals required under those air quality control laws and regulations which are part of the state implementation plan.

(t) "Net emissions increase", with reference to a significant net emissions increase, means the tons per year amount by which the sum of the following exceeds zero (0):

- (1) Any increase in actual emissions from a particular physical change or change in the method of operation at a source.

- (2) Any other increases and decreases in actual emissions at the source that are contemporaneous with the particular change and are otherwise creditable as follows:
- (A) An increase or decrease in actual emissions is contemporaneous with the increase from the particular change only if it occurs between:
 - (i) the date five (5) years before construction on the particular change commences; and
 - (ii) the date that the increase from the particular change occurs.
 - (B) An increase or decrease in actual emissions is creditable only if the board has not relied on said increase or decrease in issuing a permit for the source under this rule, which permit is in effect when the increase in actual emissions from the particular change occurs.
 - (C) An increase or decrease in actual emissions of sulfur dioxide, particulate matter, or nitrogen oxides which occurs before the applicable baseline date is creditable only if it is required to be considered in calculating the amount of maximum allowable increases remaining available.
 - (D) An increase in actual emissions is creditable only to the extent that a new level of actual emissions exceeds the old level.
 - (E) A decrease in actual emissions is creditable only to the extent that:
 - (i) the old level of actual emissions or the old level of allowable emissions, whichever is lower, exceeds the new level of actual emissions;
 - (ii) it is enforceable at and after the time that actual construction on the particular change begins; and
 - (iii) it has approximately the same qualitative significance for public health and welfare as that attributed to the increase from the particular change.
 - (F) An increase that results from the physical change at a source occurs when the emissions unit on which construction occurred becomes operational and begins to emit a particular pollutant. Any replacement unit that requires shakedown becomes operational only after a reasonable shakedown period, not to exceed one hundred eighty (180) days.

(u) "Potential to emit" means the maximum capacity of a source or major PSD modification to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation or the effect it would have on emissions is enforceable. Secondary emissions do not count in determining the potential to emit of a source.

(v) "Secondary emissions" means emissions which would occur as a result of the construction or operation of a major PSD source or major PSD modification, but do not come

from the major PSD source or major PSD modification itself. For the purpose of this rule, secondary emissions must be specific, well defined, quantifiable, and impact the same general area as the source or modification which causes the secondary emissions. Secondary emissions may include, but are not limited to:

- (1) emissions from ships or trains coming to or from the new or modified source; and
- (2) emissions from any offsite support facility which would not otherwise be constructed or increase its emissions as a result of the construction or operation of the major PSD source or major PSD modification.

(w) "Significant" means, in reference to a net emissions increase or the potential of the source to emit any of the following pollutants, a rate of emissions that would equal or exceed any of the following rates:

- (1) Carbon monoxide: one hundred (100) tons per year.
- (2) Nitrogen oxides: forty (40) tons per year.
- (3) Sulfur dioxide: forty (40) tons per year.
- (4) Particulate matter: twenty-five (25) tons per year.
- (5) PM₁₀: fifteen (15) tons per year.
- (6) Ozone: forty (40) tons per year of volatile organic compounds.
- (7) Lead: six-tenths (0.6) ton per year.
- (8) Asbestos: seven one-thousandths (0.007) ton per year.
- (9) Beryllium: four ten-thousandths (0.0004) ton per year.
- (10) Mercury: one-tenth (0.1) ton per year.
- (11) Vinyl chloride: one (1) ton per year.
- (12) Fluorides: three (3) tons per year.
- (13) Sulfuric acid mist: seven (7) tons per year.
- (14) Hydrogen sulfide (H₂S): ten (10) tons per year.
- (15) Total reduced sulfur (including H₂S): ten (10) tons per year.
- (16) Reduced sulfur compounds (including H₂S): ten (10) tons per year.

(x) "Significant", in reference to a net emissions increase or the potential of a source to emit, means a pollutant subject to regulation under the Clean Air Act, that the preceding paragraph does not list, any emissions rate. (*Air Pollution Control Board; 326 IAC 2-2-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2391; filed Apr 13, 1988, 3:35 p.m.: 11 IR 3022; filed Jan 6, 1989, 3:30 p.m.: 12 IR 1102; filed Jun 14, 1989, 5:00 p.m.: 12 IR 2020*)

SECTION 9. 326 IAC 2-2-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-2-2 Applicability

Authority: IC 13-14-8; IC 13-17-3

Affected: IC 13-11; IC 13-15; IC 13-17

Sec. 2. (a) The requirements of this rule shall apply to any major stationary PSD source, as defined in section 1 of this rule which is being constructed or will be constructed in any attainment or unclassifiable area as designated in 326 IAC 1-4, as of the submittal date of a complete application in accordance with ~~326 IAC 2-1-3~~. **326 IAC 2-5.1.**

(b) All major stationary PSD sources otherwise required to comply with this rule will not be required to obtain a PSD permit under this rule if:

- (1) Construction commenced on the source before August 7, 1977.
- (2) The source was subject to the federal review requirements of the 40 C.F.R. 52.21(d)(i)* as in effect before March 1, 1978, and the owner or operator:
 - (A) obtained final approval effective prior to March 1, 1978;
 - (B) commenced construction prior to March 19, 1979; and
 - (C) did not discontinue construction for a period of eighteen (18) months or more and completed construction within a reasonable time.
- (3) The source or modification was subject to the federal review requirements of 40 C.F.R. 52.21* as in effect before March 1, 1978, and the review of the application for approval would have been completed by March 1, 1978, but for an extension of the public comment period. This application shall be continued to be processed and granted or denied under the provisions of ~~40 C.F.R. 51.21*~~ **40 C.F.R. 52.21*** as in effect prior to March 1, 1978.
- (4) The source was not subject to the federal review requirements of 40 C.F.R. 52.21* as in effect before March 1, 1978, and the owner or operator:
 - (A) obtained all final federal, state, or local preconstruction approvals or permits;
 - (B) commenced construction before March 19, 1979; and
 - (C) did not discontinue construction for a period of eighteen (18) months or more and completed construction within a reasonable time.
- (5) The source was not subject to the federal requirements of 40 C.F.R. 52.21* as in effect on June 19, 1978, or under the partial stay published on February 5, 1980, (45 F.R. 7800)*, and the owner or operator:
 - (A) obtained all final federal, state, or local preconstruction approvals or permits necessary under the Indiana implementation plan before August 7, 1980;
 - (B) commenced construction within eighteen (18) months from August 7, 1980; and
 - (C) did not discontinue construction for a period of eighteen (18) months or more and completed construction within a reasonable time.

*Copies of the Code of Federal Regulations (C.F.R.) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402. Copies are also available at the Department of Environmental Management, Office of Air Management, 105 South Meridian Street, Indianapolis, Indiana 46225 (Phone 317/232-8218).

(c) Sources which are located in or proposed to be located in an area designated as nonattainment pursuant to 326 IAC 1-4 for a pollutant shall be exempt from the requirements of this rule for that particular pollutant.

(d) A source or modification of a source which would be a nonprofit health or nonprofit educational institution shall be exempt from the requirements of sections 3, 4, and 7 of this rule.

***Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220.**

(Air Pollution Control Board; 326 IAC 2-2-2; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2395; filed Jan 6, 1989, 3:30 p.m.: 12 IR 1098)

SECTION 10. 326 IAC 2-2-5 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-2-5 Air quality impact; requirements

Authority: IC 13-14-8; IC 13-17-3

Affected: IC 13-15; IC 13-17

Sec. 5. (a) The owner or operator of the proposed major PSD source or major PSD modification shall demonstrate that allowable emissions increases in conjunction with all other applicable emissions increases or reductions (including secondary emissions) will not cause or contribute to air pollution in violation of:

- (1) any ambient air quality standard as designated in 326 IAC 1-3, and any air quality control region; or
- (2) any applicable maximum allowable increase over the baseline concentration in any area.

(b) Exemptions as follows:

(1) The requirements of this section shall not apply to a major PSD source or major PSD modification with respect to a particular pollutant, if the allowable emissions of that pollutant from the new source, or the net emissions increase of that pollutant from the modification:

- (A) would impact no area where an applicable increment is known to be violated; and
- (B) would be temporary.

(2) The requirements of this section, as they relate to any maximum allowable increase for a Class II area, shall not apply to a major PSD modification at a source that was in existence on March 1, 1978, if the net increase in allowable emissions of each pollutant

subject to regulation under the provisions of the Clean Air Act from the modification after the application of best available control technology would be less than fifty (50) tons per year.

(c) Air quality impact analysis required by this section shall be conducted in accordance with the following provisions:

(1) Any estimates of ambient air concentrations used in the demonstration processes required by this section, shall be based upon the applicable air quality models, data bases and other requirements specified in the U.S. Environmental Protection Agency "Guidelines on Air Quality Models", EPA-450/2-78-027R, July 1986, including supplement A (1987), Office of Air Quality Planning and Standards, RTP, N.C., 27711.

(2) Where an air quality impact model specified in the guidelines cited in subdivision (1) is inappropriate, a model may be modified or another model substituted, provided that all applicable guidelines are satisfied.

(3) Modifications or substitution of any model may only be done in accordance with guideline documents and with written approval from the Administrator of U.S. EPA and shall be subject to public comment procedures set forth in ~~326 IAC 2-1-3(f)~~ **326 IAC 2-1.1-6**.

(Air Pollution Control Board; 326 IAC 2-2-5; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2398; filed Jun 14, 1989, 5:00 p.m.: 12 IR 2024)

SECTION 11. 326 IAC 2-3-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-3-1 Definitions

Authority: IC 13-14-8; IC 13-17-3

Affected: IC 13-15; IC 13-17

Sec. 1. (a) The definitions in this section apply throughout this rule.

(b) "Actual emissions" means the actual rate of emissions of a pollutant from an emissions unit, as determined in accordance with the following:

(1) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a two (2) year period which precedes the particular date and which is representative of normal source operation. The commissioner shall allow the use of a different time period upon a determination that it is more representative of normal source operation. Actual emissions shall be calculated using the unit's actual operating hours, production rates, and types of materials processed, stored, or combusted during the selected time period.

(2) The commissioner may presume that source-specific allowable emissions for the unit are equivalent to the actual emissions of the unit.

(3) For any emissions unit which has not begun normal operations on the particular date,

actual emissions shall equal the potential to emit of the unit on that date.

(c) "Allowable emissions" means the emissions rate of a source calculated using the maximum rated capacity of the source (unless a source is subject to state or federally enforceable permit limits which restrict the operating rate or hours of operation, or both) and the most stringent of the following:

- (1) The applicable standards as set forth in 40 CFR 60 and 40 CFR 61*, New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAPS), respectively.*
- (2) The emissions limitation imposed by any rule in this title, including those with a future compliance date.
- (3) The emissions rate specified as a federally enforceable permit condition, including those with a future compliance date.

(d) "Begin actual construction" means, in general, initiation of physical on-site construction activities on an emissions unit which are of a permanent nature. Such activities include, but are not limited to, the following:

- (1) Installation of building supports and foundations.
- (2) Laying underground pipework.
- (3) Construction of permanent storage structures.

With respect to a change in method of operations, "begin actual construction" refers to those on-site activities other than preparatory activities which mark the initiation of the change.

(e) "Best available control technology" or "BACT" means an emissions limitation (including a visible emission standard) based on the maximum degree of reduction for each pollutant subject to regulation under the Clean Air Act which would be emitted from any proposed major stationary source or major modification which the commissioner, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such source or modification through application of production processes or available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combustion techniques for control of such pollutant. In no event shall application of best available control technology result in emissions of any pollutant which would exceed the emissions allowed by any applicable standard under 40 CFR 60 and 40 CFR 61. If the commissioner determines that technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard infeasible, a design, equipment, work practice, operational standard, or combination thereof, may be prescribed instead to satisfy the requirement for the application of best available control technology. Such standard shall, to the degree possible, set forth the emissions reduction achievable by implementation of such design, equipment, work practice, or operation and shall provide for compliance by means which achieve equivalent results.

(f) "Building, structure, facility, or installation" means all of the pollutant-emitting activities which belong to the same industrial grouping, are located on one (1) or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control). Pollutant-emitting activities shall be considered as part of the same industrial grouping if they belong to the same major group, that is, those which have the same first two (2) digit code, as described in the Standard Industrial Classification Manual, 1972, as amended by the 1977 supplement (U.S. Government Printing Office).

(g) "Commence", as applied to construction of a major stationary source or major modification, means that the owner or operator has all necessary preconstruction approvals or permits and either has:

- (1) begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time; or
- (2) entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(h) "Complete", in reference to an application for a permit, means that the application contains all of the information necessary for processing the application. Designating an application complete for purposes of permit processing does not preclude the commissioner from requesting or accepting additional information.

(i) "Construction" means any physical change or change in the method of operation (including fabrication, erection, installation, demolition, or modification of an emissions unit) which would result in a change in actual emissions.

(j) "de minimis", in reference to an emissions increase of volatile organic compounds or oxides of nitrogen from a modification in a serious or severe ozone nonattainment area, means an increase that does not exceed twenty-five (25) tons per year when the net emissions increases from the proposed modification is aggregated on a pollutant specific basis with all other net emissions increases from the source over a five (5) consecutive calendar year period prior to, and including, the year of the modification.

(k) "Emissions unit" means any part of a stationary source which emits or would have the potential to emit any pollutant regulated under the provisions of the Clean Air Act.

(l) "Fugitive emissions" means those emissions which could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.

(m) "Incidental emissions reductions" means the reductions in emissions of a pollutant achieved as an indirect result of complying with another rule for another pollutant.

(n) "Internal offset" means to use net emissions decreases from within the source to compensate for an increase in emissions.

(o) "Lowest achievable emission rate" or "LAER" means, for any source, the more stringent rate of emissions based on the following:

(1) The most stringent emissions limitation which is contained in the implementation plan of any state for such class or category of stationary source, unless the owner or operator of the proposed stationary source demonstrates that such limitations are not achievable.

(2) The most stringent emissions limitation which is achieved in practice by such class or category of stationary source. This limitation, when applied to a modification, means the lowest achievable emissions rate for the new or modified emissions unit within the stationary source. In no event shall the application of the lowest achievable emission rate permit a proposed new or modified stationary source to emit any pollutant in excess of the amount allowable under applicable new source standards of performance.

(p) "Major modification" means any physical change or change in the method of operation of a major stationary source that would result in a significant net emissions increase or in an area which is classified as either a serious or severe ozone nonattainment area, an increase in VOC or NO_x emissions that is not de minimis of any pollutant which is being regulated under the Clean Air Act. The following provisions apply:

(1) Any net emissions increase that is significant for volatile organic compounds or significant for oxides of nitrogen shall be considered significant for ozone.

(2) A physical change or change in the method of operation shall not include the following:

(A) Routine maintenance, repair, and replacement.

(B) Use of an alternative fuel or raw material by reason of an order under Sections 2(a) and 2(b) of the Energy Supply and Environmental Coordination Act of 1974 or by reason of a natural gas curtailment plan under the Federal Power Act.

(C) Use of an alternative fuel by reason of an order or rule under Section 125 of the Clean Air Act.

(D) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.

(E) Use of an alternative fuel or raw material by a source which:

(i) the source was capable of accommodating before December 21, 1976, unless such change would be prohibited under any enforceable permit condition which was established after December 21, 1976, under 40 CFR 52.21 or regulations approved under 40 CFR 51.160 through 40 CFR 51.165 or 40 CFR 51.166*; or

(ii) the source is approved to use under any permit issued under this rule.

(F) An increase in the hours of operation or in the production rate, unless such change would be prohibited under any enforceable permit condition which was established after December 21, 1976, under 40 CFR 52.21 or regulations approved under 40 CFR 51.160 through 40 CFR 51.165 or 40 CFR 51.166*.

(G) Any change in ownership at a stationary source.

(q) "Major stationary source" means the following:

(1) Any stationary source of air pollutants which emits, or has the potential to emit, one hundred (100) tons per year or more of any air pollutant subject to regulation under the Clean Air Act.

(2) For ozone nonattainment areas, "major stationary source" includes any stationary source or group of sources located within a contiguous area and under common control that emits or has the potential to emit volatile organic compounds or oxides of nitrogen that would equal or exceed any of the following rates:

Ozone Classification	Rate
Marginal	100 tons per year
Moderate	100 tons per year
Serious	50 tons per year
Severe	25 tons per year

(3) Any of the following stationary sources with potential emissions of five (5) tons per year or more of lead or lead compounds measured as elemental lead:

(A) Primary lead smelter.

(B) Secondary lead smelters.

(C) Primary copper smelters.

(D) Lead gasoline additive plants.

(E) Lead-acid storage battery manufacturing plants that produce two thousand (2,000) or more batteries per day.

(4) Any other stationary source with potential emissions of twenty-five (25) or more tons per year of lead or lead compounds measured as elemental lead.

(5) Any physical change occurring at a stationary source not qualifying under subdivision (1), if the change would by itself qualify as a major stationary source under subdivision (1).

(r) "Necessary preconstruction approvals or permits" means those permits or approvals required under ~~326 IAC 2-1~~ through 326 IAC 2-2, **326 IAC 2-5.1, or 326 IAC 2-7.**

(s) "Net emissions decrease" means the amount by which the sum of the creditable emissions increases and decreases from any source modification project is less than zero (0).

(t) "Net emissions increase", with reference to a significant net emissions increase, means the amount by which the sum of the emission increases and decreases at a source exceeds zero

(0). For the purpose of determining de minimis in an area classified as serious or severe for ozone, the amount by which the sum of the emission increases and decreases from any source modification project exceeds zero (0). The following emissions increases and decreases are to be considered when determining net emissions increase:

(1) Any increase in actual emissions from a particular physical change or change in the method of operation.

(2) Any of the following increases and decreases in actual emissions that are contemporaneous with the particular change and are otherwise creditable:

(A) An increase or decrease in actual emissions is contemporaneous with the increase from the particular change only if it occurs after January 16, 1979, and between the following:

(i) The date five (5) years before construction of the particular change commences.

(ii) The date that the increase from the particular change occurs.

(B) An increase or decrease in actual emissions is creditable only if the commissioner has not relied on the increase or decrease in issuing a permit for the source under this rule, which permit is in effect when the increase in actual emissions from the particular change occurs.

(C) An increase in actual emissions is creditable only to the extent that a new level of actual emissions exceeds the old level.

(D) A decrease in actual emissions is creditable only to the extent that:

(i) the old level of actual emissions or the old level of allowable emissions, whichever is lower, exceeds the new level of actual emissions;

(ii) it is federally enforceable at and after the time that actual construction on the particular change begins;

(iii) the commissioner has not relied on it in issuing any permit under regulations approved under 40 CFR 51.160 through 40 CFR 51.165* or the state has not relied on it in demonstrating attainment or reasonable further progress; and

(iv) it has approximately the same qualitative significance for public health and welfare as that attributed to the increase from the particular change.

(E) An increase that results from the physical change at a source occurs when the emissions unit on which construction occurred becomes operational and begins to emit a particular pollutant. Any replacement unit that requires shakedown becomes operational only after a reasonable shakedown period, not to exceed one hundred eighty (180) days.

(u) "New", in reference to a major stationary source, a modified major stationary source, or major modification, means one which commences construction after the effective date of this rule.

(v) "Potential to emit" means the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design only if the limitation or the effect it would have on emissions is federally enforceable. Secondary emissions do not count in determining the potential to emit of a stationary source.

(w) "Reasonable further progress" or "RFP" means the annual incremental reductions in emissions of a pollutant which are sufficient in the judgment of the board to provide reasonable progress towards attainment of the applicable ambient air quality standards established by 326 IAC 1-3 by the dates set forth in the Clean Air Act.

(x) "Secondary emission" means emissions which would occur as a result of the construction or operation of a major stationary source or major modification, but do not come from the major stationary source or major modification itself. For the purpose of this rule, secondary emissions must be specific, well-defined, quantifiable, and impact the same general area as the stationary source or modification which causes the secondary emissions. Secondary emissions may include, but are not limited to:

- (1) emissions from the ships or trains coming to or from the new or modified stationary source; and
- (2) emissions from an off-site support facility which would not otherwise be constructed or increase its emissions as a result of the construction or operation of the major stationary source or major modification.

(y) "Significant", in reference to a net emissions increase or the potential of a source to emit any of the following pollutants, means a rate of emissions that would equal or exceed any of the following rates:

Carbon monoxide	100 tons per year (tpy)
Nitrogen oxides	40 tpy
Sulfur dioxide	40 tpy
Particulate matter	25 tpy
PM ₁₀	15 tpy
Ozone (marginal and moderate areas)	40 tpy of volatile organic compound (VOC) or oxides of nitrogen (NO _x)
Lead	0.6 tpy

(z) "Source modification project" means all those physical changes or changes in the methods of operation at a source which are necessary to achieve a specific operational change.

(aa) "Stationary source" means any building, structure, facility, or installation, including a stationary internal combustion engine, which emits or may emit any air pollutant subject to regulation under the Clean Air Act.

*Copies of the Code of Federal Regulations (CFR) have been incorporated by reference and are available **may be obtained** from the Government Printing Office, Washington, D.C. 20402. Copies **and** are also available with payment of appropriate **for** copying charges at the Indiana Department of Environmental Management, Office of Air Management, 105 South Meridian Street, **Indiana Government Center-North, 100 North Senate Avenue,** Indianapolis, Indiana 46225. **46204-2220.**

(Air Pollution Control Board; 326 IAC 2-3-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2401; filed Jan 6, 1989, 3:30 p.m.: 12 IR 1106; filed Nov 12, 1993, 4:00 p.m.: 17 IR 725)

SECTION 12. 326 IAC 2-3-3 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-3-3 Applicable requirements

Authority: IC 13-14-8; IC 13-17-3

Affected: IC 13-15; IC 13-17

Sec. 3. (a) Prior to the issuance of a construction permit to a source subject to this rule, the applicant shall comply with the following requirements:

(1) The proposed major new source or major modification shall demonstrate that the source will meet all applicable requirements of this title, any applicable new source performance standard in 40 CFR 60*, or any national emission standard for hazardous air pollutants in 40 CFR 61. If the commissioner determines that the proposed major new source cannot meet the applicable emission requirements, the permit to construct will be denied.

(2) The applicant will apply emission limitation devices or techniques to the proposed construction or modification such that the lowest achievable emission rate (LAER) for the applicable pollutant will be achieved.

(3) The applicant shall either demonstrate that all existing major sources owned or operated by the applicant in the state of Indiana are in compliance with all applicable emission limitations and standards contained in the Clean Air Act and in this title or demonstrate that they are in compliance with a federally enforceable compliance schedule requiring compliance as expeditiously as practicable.

(4) The applicant shall submit an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source which demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification.

(5) Emissions resulting from the proposed construction or modification shall be offset by a reduction in actual emissions of the same pollutant from an existing source or combination of existing sources. The emission offset shall be such that there will be reasonable further progress toward attainment of the applicable ambient air quality standards as follows:

(A) Greater than one-for-one, unless otherwise specified.

(B) For ozone nonattainment areas, the following table shall determine the minimum offset ratio requirements for major stationary sources of volatile organic compounds or oxides of nitrogen:

Ozone Classification Minimum Offset Requirements

Marginal	1.1 to 1
Moderate	1.15 to 1
Serious	1.2 to 1
Severe	1.3 to 1

(6) The applicant shall obtain the necessary preconstruction approvals and shall meet all

the permit requirements specified in ~~326 IAC 2-1~~. **326 IAC 2-5.1 or 326 IAC 2-7.**

(b) The following provisions shall apply to all emission offset evaluations:

(1) Emission offsets shall be determined on a tons per year, and, whenever possible, a pounds per hour basis when all facilities requiring offset involved in the emission offset calculations are operating at their maximum potential or allowed production rate. When offsets are calculated on a tons per year basis, the baseline emissions for existing sources providing the offsets shall be calculated using the allowed or actual annual operating hours, whichever is less.

(2) The baseline for determining credit for emission offsets will be the emission limitations or actual emissions, whichever is lower, in effect at the time the application to construct or modify a source is filed. Credit for emission offset purposes may be allowable for existing control that goes beyond that required by source-specific emission limitations contained in this title.

(3) In cases where the applicable rule under this title does not contain an emission limitation for a source or source category, the emission offset baseline involving such sources shall be the actual emissions determined at their maximum expected or allowable production rate.

(4) In cases where emission limits for existing sources allow greater emissions than the uncontrolled emission rate of the source, emission offset credit shall only be allowed for emissions controlled below the uncontrolled emission rate.

(5) A source may receive offset credit from emission reductions achieved by shutting down an existing source or permanently curtailing production or operating hours below baseline levels; provided, that the work force to be affected has been notified of the proposed shutdown or curtailment. Emission offsets that involve reducing operating hours or production or source shutdowns must be federally enforceable. Emission offsets may be credited for a source shutdown or curtailment provided that the applicant can establish that such shutdown or curtailment occurred less than one (1) year prior to the date of permit application, and the proposed new source is a replacement for the shutdown or curtailment.

(6) Emission offset credit involving an existing fuel combustion source will be based on the allowable emissions under other rules of this title for the type of fuel being burned at the time the new source application is filed. If the existing source commits to switch to a cleaner fuel at some future date, emission offset credit based on the allowable emissions for the fuels involved is acceptable; provided, the permit is conditioned to require the use of a specific alternative control measure which would achieve the same degree of emission reduction should the source switch back to a dirtier fuel at some later date. The commissioner will grant emission offset credit for fuel switching only after ensuring that adequate supplies of the new fuel are available at least for the next ten (10) years.

(7) In the case of volatile organic compound emissions, no emission offset credit may be allowed for replacing one (1) hydrocarbon compound with another of lesser reactivity,

except for those compounds defined as nonphotochemically reactive hydrocarbons in 326 IAC 1-2-48.

(8) No emission reduction may be approved to offset emissions which cannot be federally enforced. Offsetting emissions shall be considered federally enforceable if the reduction is included as a condition in the applicable permit as specified in ~~326 IAC 2-1-5~~ **326 IAC 2-5.1 or 326 IAC 2-7**, if issued under a federally-approved air permit program.

(9) Emission reductions required under any other rule adopted by the air pollution control board shall not be creditable as emission reductions and therefore cannot be used for emission offsets.

(10) Incidental emission reductions that are not otherwise required by any other rule adopted by the air pollution control board shall be creditable as emission reductions for emission offsets if such emission reductions meet all of the other requirements for offsets.

(11) A source may offset by alternative or innovative means emission increases from rocket engine or motor firing and cleaning related to such firing at an existing or modified major source that tests rocket engines or motors under the following conditions:

(A) Any modification proposed is solely for the purpose of expanding the testing of rocket engines or motors at an existing source that is permitted to test such engines on November 15, 1990.

(B) The source demonstrates to the satisfaction of the department that it has used all reasonable means to obtain and utilize offsets, as determined on an annual basis, for the emissions increases beyond allowable levels, that all available offsets are being used, and that sufficient offsets are not available to the source.

(C) The source has obtained a written finding from:

- (i) the Department of Defense;
- (ii) the Department of Transportation;
- (iii) the National Aeronautics and Space Administration; or
- (iv) other appropriate federal agency;

that the testing of rocket motors or engines at the facility is required for a program essential to the national security.

(D) The source will comply with an alternative measure, imposed by the department, designed to offset any emission increases beyond permitted levels not directly offset by the source.

(Air Pollution Control Board; 326 IAC 2-3-3; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2406; filed Nov 12, 1993, 4:00 p.m.: 17 IR 730)

SECTION 13. 326 IAC 2-4.1-1 IS ADDED TO READ AS FOLLOWS:

Rule 2-4.1. Major Sources of Hazardous Air Pollutants

326 IAC 2-4.1-1 New source toxics control

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) Any owner or operator who constructs or reconstructs a major source of hazardous air pollutants (HAP), as defined in 40 CFR 63.41*, after July 27, 1997, including owners or operators with permit applications pending with the department on the effective date of this section, shall comply with the requirements of this section, except as specifically specified herein. This section does not apply to an owner or operator that has received all necessary permits for the construction or reconstruction before July 27, 1997. On and after June 29, 1998, this section is intended to implement Section 112(g)(2)(B) of the Clean Air Act (CAA). Subsection (c)(3)(E) and (c)(3)(I) shall not apply to an owner or operator that has received all necessary permits for the construction or reconstruction before June 29, 1998.

(b) This section does not apply to the following exclusions set forth in 40 CFR 63.40*:

- (1) Electric utility steam generating units until such time as these units are added to the source category list under Section 112(c)(5) of the CAA.**
- (2) A major source specifically regulated, or exempted from regulation, by a standard issued pursuant to Section 112(d), 112(h), or 112(j) of the CAA*.**
- (3) Stationary sources that are within a source category that has been deleted from the source category list under Section 112(c)(9) of the CAA.**
- (4) Research and development activities, as defined in 40 CFR 63.41*.**

(c) The air pollution control board incorporates by reference the following provisions of 40 CFR 63, Subpart B, 61 FR 68384, December 27, 1996, Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*:

- (1) 63.41 Definitions.**
- (2) 63.42 Program requirements governing construction or reconstruction of major sources.**
- (3) The following subsections of 63.43 Maximum achievable control technology (MACT) determinations for constructed and reconstructed major sources:**
 - (A) 63.43(a) Applicability.**
 - (B) 63.43(b) Requirements for constructed and reconstructed major sources.**
 - (C) 63.43(d) Principles of MACT determinations.**
 - (D) 63.43(e) Application requirements for a case-by-case MACT determination.**
 - (E) 63.43(i) EPA notification.**
 - (F) 63.43(j) Effective date.**
 - (G) 63.43(k) Compliance date.**
 - (H) 63.43(l) Compliance with MACT determinations.**

(I) 63.43(m) Reporting to the Administrator.
(4) 63.44 Requirements for constructed or reconstructed major sources subject to a subsequently promulgated MACT standard or MACT requirement.

(d) The administrative procedures, public notice, and issuance of MACT approvals under this section are set forth in 326 IAC 2-1.1 and 326 IAC 2-5.1. In addition, permits issued to sources subject to this section shall conform to the provisions of 40 CFR 63.43(g) Notice of MACT approval*.

(e) This subsection sets forth provisions for a transition period from July 27, 1997, through June 28, 1998, for those sources who have construction permit applications pending with the department on July 27, 1997 (transition applicants). Transition applicants are not required to comply with subsection (c)(3)(D). The department shall notify transition applicants that this section applies to its pending application and provide for an opportunity for the applicant to submit information that may be used by the department to complete the determination of MACT under this section. The department may request additional information regarding the transition applicant's project necessary to determine the proposed control technology and air emissions for purposes of making the determination required by this section. The department may not exceed the applicable permit timeline for completion of review of a transition applicant's application in order to comply with this section. The department's determination of MACT under this section may be based on information about similar sources and hazardous air pollutant emissions that is reasonably available to the department within the applicable timeframe for permit review and shall not be construed to be a MACT determination under Section 112(g) of the CAA.

(f) Subsection (c)(4), except 40 CFR 63.44(a)*, does not apply to a source issued a MACT determination pursuant to the transition program set forth in subsection (e).

***Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-4.1-1*)**

SECTION 14. 326 IAC 2-5.1 IS ADDED TO READ AS FOLLOWS:

Rule 2-5.1. Construction of New Sources

326 IAC 2-5.1-1 Exemptions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-15; IC 13-17

Sec. 1. (a) The following shall be exempt from the requirements of this rule:

(1) New sources that meet the criteria for an exemption under 326 IAC 2-1.1-3 or not specifically required to obtain a registration or permit under this rule.

(2) Existing sources operating pursuant to a permit issued under 326 IAC 2-6.1, 326 IAC 2-7, or 326 IAC 2-8.

(3) Existing sources operating pursuant to a source specific operating agreement under 326 IAC 2-9.

(4) Existing sources operating pursuant to a permit by rule under 326 IAC 2-10 or 326 IAC 2-11.

(Air Pollution Control Board; 326 IAC 2-5.1-1)

326 IAC 2-5.1-2 Registrations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-15; IC 13-17

Sec. 2. (a) On or after the effective date of this rule, this section applies to the following new sources:

(1) Sources with a potential to emit within the following ranges:

(A) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of either particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).

(B) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of the following pollutants:

(i) Sulfur dioxide (SO₂).

(ii) Nitrogen oxides (NO_x).

(C) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of volatile organic compounds (VOC), except for sources subject to 326 IAC 8.

(D) Less than twenty-five (25) tons per year and equal to or greater than fifteen (15) pounds per day of volatile organic compounds (VOC) for sources subject to 326 IAC 8.

(E) Less than one hundred (100) tons per year and equal to or greater than twenty-five (25) tons per year of carbon monoxide (CO).

(F) Less than five (5) tons per year and equal to or greater than two-tenths (0.2) ton per year of lead (Pb).

(G) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of the following regulated air pollutants:

(i) Hydrogen sulfide (H₂S).

- (ii) Total reduced sulfur (TRS).
- (iii) Reduced sulfur compounds.
- (iv) Fluorides.

(2) Any source that:

- (A) is subject to 326 IAC 20-8; and
- (B) consists of only decorative chromium electroplating tanks that use a trivalent chromium process that incorporates a wetting agent.

(b) No person subject to subsection (a) shall construct or operate any new source subject to this section without registering the new source with the commissioner.

(c) The registrant shall submit an application in accordance with this rule to the commissioner. The application shall include the following information:

(1) Company name and address.

(2) Descriptive information as follows:

- (A) A description of the nature and location of the proposed construction or modification.
- (B) The design capacity and typical operating schedule of the proposed construction or modification.
- (C) A description of the source and the emissions unit or units comprising the source.
- (D) A description of any emission control equipment, including design specifications.

(3) A schedule for construction or modification of the source.

(4) Information on the nature and amount of pollutants to be emitted and any other information determined by the commissioner as necessary to demonstrate compliance with the ambient air quality standards.

(5) Each application shall be signed by an authorized individual, unless otherwise noted, whose signature constitutes an acknowledgement that the applicant assumes the responsibility of assuring that the source, emissions unit or units, or emission control equipment will be constructed and will operate in compliance with all applicable state air pollution control rules and the requirements of the CAA. Such signature shall constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.

(d) Upon receipt of the information requested, the commissioner shall make a final determination within the time period described under 326 IAC 2-1.1-8.

(e) If the commissioner finds an application submitted in accordance with this rule

to be incomplete, the commissioner shall mail a notice of deficiency to the applicant that specifies the portions of the application that:

(1) do not contain adequate information for the commissioner to process the application; or

(2) are not consistent with applicable law or rules.

The applicant shall forward the required additional information to the commissioner, or request additional time for providing the information, within sixty (60) days of receipt of the notice of deficiency. If the additional information is not submitted within sixty (60) days, or the additional time provided by the commissioner, the application may be denied in accordance with IC 13-15-4-9.

(e) (f) A registration issued by the commissioner shall include terms and conditions that include all of the following:

(1) Identification of any and all applicable requirements.

(2) A physical description of the emissions unit or units and operating information consistent with the application information.

(3) ~~An expiration date not to exceed five (5) years~~ A requirement that an authorized individual provide an annual notice to the department that the source is in operation and in compliance with the registration.

(4) An approval to operate in accordance with 326 IAC 2-5.5.

(f) (g) A registration issued by the commissioner may include terms and conditions that require monitoring, record keeping, and reporting of production-related information as necessary to assure compliance with all applicable requirements.

(g) (h) The issuance of a registration shall not be subject to the public notice requirements under 326 IAC 2-1.1-6, but the commissioner shall provide for public notice pursuant to IC 4-21.5-3-4.

(h) (i) The commissioner shall not issue a registration that limits a source's potential to emit. (*Air Pollution Control Board; 326 IAC 2-5.1-2*)

326 IAC 2-5.1-3 Permits

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) On or after the effective date of this rule, a new source must obtain a construction permit prior to beginning construction of an emissions unit under the following conditions:

(1) The potential to emit is equal to or greater than the following:

(A) One (1) ton or more per year of lead or lead compounds measured as

elemental lead and the source is one (1) of the following:

- (i) A primary lead smelter.
- (ii) A secondary lead smelter.
- (iii) A primary copper smelter.
- (iv) A lead gasoline additive plant.
- (v) A lead-acid storage battery manufacturing plant that produces two thousand (2,000) or more batteries per day.

(B) Five (5) tons or more per year of lead or lead compounds measured as elemental lead and the source is not listed in clause (A).

(C) One hundred (100) tons per year of carbon monoxide (CO).

(D) Ten (10) tons per year of any single hazardous air pollutant or twenty-five (25) tons per year of any combination of hazardous air pollutants listed pursuant to section 112(b) of the CAA.

(E) Twenty-five (25) tons per year of the following regulated air pollutants:

- (i) Particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).
- (ii) Sulfur dioxide (SO₂).
- (iii) Nitrogen oxides (NO_x).
- (iv) Volatile organic compounds (VOC).
- (v) Hydrogen sulfide (H₂S).
- (vi) Total reduced sulfur (TRS).
- (vii) Reduced sulfur compounds.
- (viii) Fluorides.

(2) The source belongs to any of the following source categories:

(A) A source consisting of a chromium electroplating tank, chromium anodizing tank, or an operation subject to 326 IAC 20-8. Sources consisting only of decorative chromium electroplating tanks that use a trivalent chromium process that incorporates a wetting agent that are subject to section 2 of this rule are not included.

(B) A source that includes medical waste incinerators subject to 40 CFR 60, Subpart Ec, 62 FR 48382* (September 15, 1997).

(C) Area or minor sources that include an emission unit or units that require a Part 70 operating permit under 326 IAC 2-7.

(b) Any person proposing the construction of a new source and required to prepare an application obtain a construction permit under subsection (a), including any source or emissions unit that is subject to 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1 shall prepare and submit a permit application to the commissioner in accordance with subsection (c).

(c) At a minimum, an application shall include the following information:

(1) The company name and address.

- (2) The following descriptive information:
- (A) A description of the nature and location of the proposed construction or modification.
 - (B) The design capacity and typical operating schedule of the proposed construction or modification.
 - (C) A description of the source and the emissions unit or units comprising the source.
 - (D) A description of any emission control equipment, including design specifications.
- (3) A schedule for construction or modification of the source.
- (4) The following information as needed to assure all reasonable information is provided to evaluate compliance consistent with the permit terms and conditions, the underlying requirements of this title and the CAA, the ambient air quality standards set forth in 326 IAC 1-3, or the prevention of significant deterioration maximum allowable increase under 326 IAC 2-2:
- (A) Information on the nature and amount of the pollutant to be emitted, including an estimate of the potential to emit of any regulated air pollutants.
 - (B) Estimates of offset credits as required under 326 IAC 2-3, for sources to be constructed in nonattainment areas.
 - (C) Monitoring, testing, reporting, and record keeping requirements.
 - (D) Any other information (including, but not limited to, the air quality impact) determined by the commissioner to be necessary to demonstrate compliance with the requirements of this title and the requirements of the CAA, whichever are applicable.
- (5) Each application shall be signed by an authorized individual, unless otherwise noted, whose signature constitutes an acknowledgement that the applicant assumes the responsibility of assuring that the source, emissions unit or units, or emission control equipment will be constructed and will operate in compliance with all applicable Indiana air pollution control rules and the requirements of the CAA. Such signature shall constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.
- (d) If the commissioner finds an application submitted in accordance with this rule to be incomplete, the commissioner shall mail a notice of deficiency to the applicant that specifies the portions of the application that:
- (1) do not contain adequate information for the commissioner to process the application; or
 - (2) are not consistent with applicable law or rules.
- The applicant shall forward the required additional information to the commissioner, or

request additional time for providing the information, within sixty (60) calendar days of receipt of the notice of deficiency. If the additional information is not submitted within sixty (60) calendar days, or the additional time provided by the commissioner, the application may be denied in accordance with IC 13-15-4-9.

- (e) Permits issued under this article shall contain the following:**
- (1) Emission limitations for any source or emissions unit that assure:**
 - (A) the ambient air quality standards set forth in 326 IAC 1-3 will be attained, maintained, or both;**
 - (B) the applicable prevention of significant deterioration maximum allowable increases set forth in 326 IAC 2-2 will be maintained;**
 - (C) the public health will be protected; and**
 - (D) compliance with the requirements of this title and the requirements of the CAA will be maintained.**
- (2) Monitoring, testing, reporting, and record keeping requirements that assure reasonable information is provided to evaluate compliance consistent with the permit terms and conditions, the underlying requirements of this title and the CAA. Such requirements shall be in accordance with 326 IAC 3 and other applicable regulations.**
- (3) A requirement that any revision of an emission limitation, monitoring, testing, reporting, and record keeping requirements shall be made consistent with the permit revision requirements under 326 IAC 2-6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1.**
- (4) The following requirements with respect to compliance:**
 - (A) The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner.**
 - (B) Upon presentation of credentials and other documents as may be required by law, the owner or operator shall allow the commissioner, an authorized representative of the commissioner, or the U.S. EPA to perform the following:**
 - (i) Enter upon the premises where a permitted source is located or emissions related activity is conducted, or where records required by a permit term or condition are kept.**
 - (ii) Have access to and copy any records that must be kept under this title or the conditions of a permit or permit revision.**
 - (iii) Inspect any operations, processes, emissions units (including monitoring and air pollution control equipment), or practices regulated or required under a permit or permit revision.**
 - (iv) Sample or monitor substances or parameters for the purpose of assuring compliance with a permit, permit revision, or applicable requirement, as**

authorized by the CAA and this title.

(v) Document alleged violations using cameras or video equipment. Such documentation may be subject to a claim of confidentiality under 326 IAC 17.

(5) For sources that will operate pursuant to an operating permit under 326 IAC 6.1, a requirement that an authorized individual provide an annual notice to the department that the source is in operation and in compliance with the permit or registration. The commissioner may request that the source provide an identification of all emission units that have been installed that are described under 326 IAC 2-1.1-3(c)(1) 326 IAC 2-1.1-3(d)(1) through (33) with the annual notification.

(f) Any permit issued under this section shall conform to the permit content requirements under subsection (e), except for the following:

(1) Any permit that includes limitations on the potential to emit of a source must conform with the federally enforceable state operating permit (FESOP) permit content and compliance requirements under 326 IAC 2-8-4 and 326 IAC 2-8-5.

(2) An applicant may request that the permit content and compliance requirements conform with the Part 70 requirements under 326 IAC 2-7-5 and 326 IAC 2-7-6 if the applicant is also requesting that the Part 70 permit issuance requirements under 326 IAC 2-7 apply.

(g) The commissioner shall provide for public notice and comment in accordance with 326 IAC 2-1.1-6 prior to issuing a construction permit.

(h) After receiving an approval to construct and prior to receiving approval to operate, a source shall prepare an affidavit of construction as follows:

(1) The affidavit shall include the following:

(A) Name and title of the authorized individual.

(B) Company name.

(C) An affirmation that the source was constructed in conformance with the requirements and intent of the construction permit application.

(D) Identification of any changes to the source not included in the construction permit application or any amendment thereof.

(E) Signature of the authorized individual.

(2) The affidavit shall be notarized.

(3) A source shall submit the affidavit to the commissioner after construction has been completed.

(i) A source may not operate any air pollutant emitting source or emissions unit prior to receiving a validation letter issued by the commissioner, except as provided in

subdivision (1).

- (1) A source may operate upon submission of an affidavit of construction that affirms that the source is described by, and will comply with, the construction permit as issued or previously amended.**
- (2) The commissioner shall issue a validation letter within five (5) working days of receipt of the affidavit of construction.**
- (3) The validation letter may authorize the operation of all or part of the source.**
- (4) The validation letter may include amendments to the permit if the amendments are requested by the source and if such amendment does not constitute a modification and require public notice and comment under 326 IAC 2-1.1-6.**
- (5) A validation letter may not approve the operation of any emissions unit if an amendment requested by the source would constitute a modification and require public notice and comment under 326 IAC 2-1.1-6.**

(Air Pollution Control Board; 326 IAC 2-5.1-3)

***Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220.**

326 IAC 2-5.1-4 Transition procedures

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15-4-9; IC 13-17

Sec. 4. (a) The commissioner shall include an approval to operate and operating conditions in an initial construction permit. The level of approval shall be as follows:

- (1) A source may request approval to operate under a state operating permit under 326 IAC 2-6.1 if either of the following applies:**
 - (A) The permit does not include terms and conditions that limit the potential to emit of the source to below thresholds that would require a Part 70 permit.**
 - (B) The source is subject to the Part 70 requirements under 326 IAC 2-7 and will submit a Part 70 permit application within twelve (12) months of the date the source is approved to operate.**
- (2) A source will obtain approval to operate as a FESOP under 326 IAC 2-8 if the permit includes terms and conditions that limits the potential to emit of the source to below the thresholds that require the source to obtain a Part 70 permit and is issued in accordance with 326 IAC 2-8-13.**
- (3) A source may obtain approval to operate as a Part 70 source under 326 IAC 2-7 if the permit content and compliance requirements conform to 326 IAC 2-7-5 and 326 IAC 2-7-6 and the permit is issued in accordance with 326 IAC 2-7-17.**

(b) If all terms and conditions of 326 IAC 2-1.1-6 were satisfied in the processing of the construction permit, then the emission limitations may be included in the subsequent operating permit without repeating the public notice requirements in 326 IAC 2-1.1-6.
(Air Pollution Control Board; 326 IAC 2-5.1-4)

SECTION 15. 326 IAC 2-5.1 IS ADDED TO READ AS FOLLOWS:

326 IAC 2-5.5 Registrations

326 IAC 2-5.5-1 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) The following shall be exempt from the requirements of this rule:

(1) Existing sources that meet the criteria for an exemption under 326 IAC 2-1.1-3 or not specifically required to obtain a registration under this rule.

(2) Existing sources operating pursuant to one (1) of the following:

(A) A Part 70 permit under 326 IAC 2-7.

(B) A federally enforceable state operating permit (FESOP) under 326 IAC 2-8.

(C) A source specific operating agreement under 326 IAC 2-9.

(D) A permit by rule under 326 IAC 2-10.

(E) A permit by rule under 326 IAC 2-11.

(b) On or after the effective date of this rule, this rule applies to the following existing sources:

(1) Sources with a potential to emit within the following ranges:

(A) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of either particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).

(B) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of the following pollutants:

(i) Sulfur dioxide (SO₂).

(ii) Nitrogen oxides (NO_x).

(C) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of volatile organic compounds (VOC), except for sources subject to 326 IAC 8.

(D) Less than twenty-five (25) tons per year and equal to or greater than fifteen (15) pounds per day of volatile organic compounds (VOC) for sources subject to 326 IAC 8.

(E) Less than one hundred (100) tons per year and equal to or greater than twenty-five (25) tons per year of carbon monoxide (CO).

(F) Less than five (5) tons per year and equal to or greater than two-tenths (0.2) ton per year of lead (Pb).

(G) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of the following regulated air pollutants:

(i) Hydrogen sulfide (H₂S).

(ii) Total reduced sulfur (TRS).

(iii) Reduced sulfur compounds.

(iv) Fluorides.

(2) Any existing source that:

(A) is subject to 326 IAC 20-8; and

(B) consists of only decorative chromium electroplating tanks that use a trivalent chromium process that incorporates a wetting agent.

(c) No person subject to subsection (b) shall operate an existing source subject to this rule without registering the source with the commissioner. (Air Pollution Control Board; 326 IAC 2-5.5-1)

326 IAC 2-5.5-2 Compliance schedule

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) Any chrome electroplating source that meets the applicability criteria under clause (b)(2) shall apply for approval under this rule no later than twelve (12) months from the effective date of this rule.

(b) Any existing source not described by subsection (a) that has a valid air registration shall apply for approval under this rule no later than twenty-four (24) months from the effective date of this rule.

(c) Any source that is subject to this rule and that does not have a valid air registration shall apply for approval under this rule no later than twelve (12) months from the effective date of this rule. (Air Pollution Control Board; 326 IAC 2-5.5-2)

326 IAC 2-5.5-3 Application requirements

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) Any person required to prepare an application under subsection 1(b) of this rule shall prepare and submit a permit application to the commissioner in accordance with this rule.

(b) The application shall include the following information:

(1) Company name and address.

(2) Descriptive information as follows:

(A) A description of the nature and location of the proposed construction or modification.

(B) The design capacity and typical operating schedule of the proposed construction or modification.

(C) A description of the source and the emissions unit or units comprising the source.

(D) A description of any emission control equipment, including design specifications.

(3) A schedule for construction or modification of the source.

(4) Information on the nature and amount of pollutants to be emitted and any other information determined by the commissioner as necessary to demonstrate compliance with the ambient air quality standards.

(5) Each application shall be signed by an authorized individual, unless otherwise noted, whose signature constitutes an acknowledgement that the applicant assumes the responsibility of assuring that the source, emissions unit or units, or emission control equipment will be constructed and will operate in compliance with all applicable state air pollution control rules and the requirements of the CAA. Such signature shall constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.

(c) Upon receipt of the information requested, the commissioner shall make a final determination within the time period described under 326 IAC 2-1.1-8.

(d) If the commissioner finds an application submitted in accordance with this rule to be incomplete, the commissioner shall mail a notice of deficiency to the applicant that specifies the portions of the application that:

(1) do not contain adequate information for the commissioner to process the application; or

(2) are not consistent with applicable law or rules.

The applicant shall forward the required additional information to the commissioner, or request additional time for providing the information, within sixty (60) days of receipt of the notice of deficiency. If the additional information is not submitted within sixty (60) days, or the additional time provided by the commissioner, the application may be denied in accordance with IC 13-15-4-9. (Air Pollution Control Board; 326 IAC 2-5.5-3)

326 IAC 2-5.5-4 Registration content

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-15; IC 13-17

Sec. 4. (a) A registration issued by the commissioner shall include terms and conditions that include all of the following:

- (1) Identification of any and all applicable requirements.
- (2) A physical description of the emissions unit or units and operating information consistent with the application information.
- (3) A requirement that an authorized individual provide an annual notice to the department that the source is in operation and in compliance with the registration.

(b) A registration issued by the commissioner may include terms and conditions that require monitoring, record keeping, and reporting as necessary to assure compliance with all applicable requirements.

(c) The commissioner shall not issue a registration that limits a source's potential to emit. (Air Pollution Control Board; 326 IAC 2-5.5-4)

326 IAC 2-5.5-5 Public notice

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-15; IC 13-17

Sec. 5. The issuance of a registration shall not be subject to the public notice requirements under 326 IAC 2-1.1-6, but the commissioner shall provide for public notice pursuant to IC 4-21.5-3-4. (Air Pollution Control Board; 326 IAC 2-5.5-5)

326 IAC 2-5.5-6 Source modification

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11
Affected: IC 13-15; IC 13-17

Sec. 6. (a) Any person proposing to construct new emission units, modify existing emission units, or otherwise modify the source as described in this section shall submit a application or notification in accordance with this rule.

(b) Notwithstanding any other provision of this rule, the owner or operator of a source may repair or replace an emissions unit or air pollution control equipment or components thereof that would require a permit or operating permit revision under a provision of this rule prior to receiving the permit or operating permit revision if:

- (1) the repair or replacement results in a potential to emit for each regulated pollutant that is less than or equal to the potential to emit of the equipment the affected emissions unit that was repaired or replaced;

(2) the repair or replacement is not a major modification under 326 IAC 2-2-1, 326 IAC 2-3-1, or 326 IAC 2-4.1;

(3) the repair or replacement:

(A) returns the emissions unit, process, or control equipment to normal operation after an upset, malfunction, mechanical failure; or

(B) prevents impending and imminent failure of the emissions unit, process, or control equipment; and

(4) the owner or operator of the source submits an application for a permit or permit revision to the commissioner no later than thirty (30) calendar days after initiating the repair or replacement.

(c) An application or notification required under this section shall contain the following:

(1) The information required under section 2(b) of this rule.

(2) Identification of the applicable requirements to which the source is newly subject as a result of the change, including the applicable emission limits and standards, applicable monitoring and test methods, and applicable record keeping and reporting requirements, as appropriate.

(d) Notwithstanding the public participation requirements under 326 IAC 2-1.1-6, the following changes shall be designated as notice-only changes and shall not require public notice or prior approval by the commissioner.

(1) Changes correcting typographical errors.

(2) Minor administrative changes such as a change in the name, address, or telephone number of any person identified in a permit or a change in descriptive information concerning the source or emissions unit or units.

(3) Changes in ownership or operational control of a source.

(4) Modifications that would require more frequent monitoring or reporting.

(5) Modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not result in an increase in the potential to emit of any regulated pollutant greater than the thresholds in 326 IAC 2-5.1-3(a) or a significant change in the method or methods to demonstrate or monitor compliance.

(6) Incorporation of newly applicable requirements as a result of a change in applicability.

(7) Incorporation of alternative testing or compliance monitoring requirements that have received U.S. EPA approval under 40 CFR 60, 40 CFR 61, or 40 CFR 63*.

(8) Incorporates newly-applicable monitoring or testing requirements specified in 40 CFR 60, 40 CFR 61, or 40 CFR 63* that apply as the result of a change in applicability of those requirements to the source, including removal from the permit of monitoring or testing requirements that no longer apply as a result of the

change in applicability.

(9) Incorporation of test methods or monitoring requirements specified in an applicable requirement that the source may use under the applicable requirement as an alternative to the testing or monitoring requirements contained in the permit.

(10) Modifications that have the potential to emit greater than or equal to one (1) ton per year but less than ten (10) tons per year of a single hazardous air pollutant (HAP) as defined under Section 112(b) of the CAA or greater than or equal to two and one-half (2.5) tons per year but less than twenty-five (25) tons per year of any combination of HAPs unless the modification would increase the potential to emit of the source above ten (10) tons per year of a single HAP or twenty-five (25) tons per year of any combination of HAPs.

(11) A modification of an existing source if the modification will replace or repair a part or piece of equipment in an existing process, unless:

(A) the modification results in the replacement or repair of an entire process;

(B) the modification qualifies as a reconstruction of an entire process; or

(C) the modification may result in an increase of actual emissions.

(12) Modifications that consist of emission units described under 326 IAC 2-1.1-3(d)(1) through (33).

(e) Any person proposing to make a change or modification described in subsection (c) shall submit a notification concerning the change or modification within thirty (30) days of making the change or modification and shall include the information under section 2(b) of this rule.

(f) The commissioner shall revise the registration consistent with the following:

(1) The commissioner shall revise the registration within thirty (30) days of receipt of the notification by the one (1) of the following means:

(A) Certified mail.

(B) Delivery by hand or express service.

(C) Transmission by other equally reliable means of notification by the source to the commissioner.

(2) The commissioner shall send a copy of the revised registration to the registrant.

(3) The registrant may implement the change or modification upon submittal of the notification.

(g) Any person proposing to make a change or modification not described in subsection (c) shall submit an application concerning the change or modification prior to making the change or modification and shall include the information under subsection (c).

(h) An application submitted in accordance with subsection (g) shall be processed as follows:

(1) Within forty-five (45) days from receipt of an application for a minor permit revision, the commissioner shall do one (1) of the following:

(A) Approve the modification request and issue a revised registration incorporating the modification.

(B) Determine that the change or modification will increase the potential to emit of the source to a level that would be require an operating permit under 326 IAC 2-6.1, 326 IAC 2-7, or 326 IAC 2-8.

(2) If after review of the application, the commissioner determines that the change or modification will increase the potential to emit of the source to a level that would be require an operating permit under 326 IAC 2-6.1, 326 IAC 2-7, or 326 IAC 2-8, the commissioner shall:

(A) notify the source of the requirement to obtain an operating permit; and

(B) issue the operating permit pursuant to the requirements in 326 IAC 2-6.1, 326 IAC 2-7, or 326 IAC 2-8, whichever is applicable.

(Air Pollution Control Board; 326 IAC 2-5.5-6)

SECTION 16. 326 IAC 2-6.1 IS ADDED TO READ AS FOLLOWS:

Rule 2-6.1. Minor Source Permit Program

326 IAC 2-6.1-1 Exemptions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. The following shall be exempt from the requirements of this rule:

(1) Existing sources or modifications to existing sources that meet the criteria for an exemption under 326 IAC 2-1.1-3 or not specifically required to obtain a permit under this rule shall be exempt from the requirements of this rule.

(2) Existing sources operating pursuant to a permit issued under this rule,
326 IAC 2-7, or 326 IAC 2-8. one (1) of the following:

(A) A Part 70 permit under 326 IAC 2-7.

(B) A federally enforceable state operating permit (FESOP) under 326 IAC 2-8.

(C) A source specific operating agreement under 326 IAC 2-9.

(D) A permit by rule under 326 IAC 2-10.

(E) A permit by rule under 326 IAC 2-11.

(Air Pollution Control Board; 326 IAC 2-6.1-1)

326 IAC 2-6.1-2 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. ~~(a)~~ Sources in existence prior to the effective date of this rule and meeting any of the applicability criteria under 326 IAC 2-5.1-2(a) or 326 IAC 2-5.1-3(a) shall apply for an air registration or air operating permit, respectively, as described in this rule.

~~(b)~~ This rule shall not apply to a source that is operating pursuant to a permit, operating agreement, or permit by rule under one (1) of the following rules:

- ~~_____ (1) 326 IAC 2-7.~~
- ~~_____ (2) 326 IAC 2-8.~~
- ~~_____ (3) 326 IAC 2-9.~~
- ~~_____ (4) 326 IAC 2-10.~~
- ~~_____ (5) 326 IAC 2-11.~~

(Air Pollution Control Board; 326 IAC 2-6.1-2)

326 IAC 2-6.1-3 Compliance schedule

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) Any chrome electroplating source that meets the applicability criteria under 326 IAC 2-5.1-2 or 326 IAC 2-5.1-3 or medical waste incinerator subject to 40 CFR 60, Subpart Ce, 62 FR 48379* (September 15, 1997) shall apply for approval under this rule no later than twelve (12) months from the effective date of this rule.

(b) Any existing source not described by subsection (a) that has a valid air operating permit must apply for approval under this rule no later than ninety (90) days prior to the expiration date of that permit, except for the following:

- (1) A source subject to the Part 70 Operating Permit Program under 326 IAC 2-7.
- (2) A source subject to the FESOP program under 326 IAC 2-8.
- (3) A source subject to source specific operating agreement requirements under 326 IAC 2-9.
- (4) A source subject to the requirements under 326 IAC 2-10 or 326 IAC 2-11.

~~(c) Any existing source not described by subsection (a) that has a valid air registration shall apply for approval under this rule no later than twenty-four (24) months from the effective date of this rule.~~

~~(d)~~ (c) Any source that is subject to this rule and that does not have a valid air registration or air operating permit shall apply for approval under this rule no later than twelve (12) months from the effective date of this rule.

~~(e)~~ (d) Submittal of a complete Part 70 operating permit application under 326 IAC 2-7-3 and 326 IAC 2-7-4, whether before or after the effective date of this rule,

shall satisfy the requirements of this rule. (*Air Pollution Control Board; 326 IAC 2-6.1-3*)

***Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220.**

326 IAC 2-6.1-4 Application requirements

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15-4-9; IC 13-17

Sec. 4. (a) At a minimum, an application for a permit or permit revision shall include the following information:

- (1) The company name and address.**
- (2) The following descriptive information:**
 - (A) A description of the nature and location of the proposed construction or modification.**
 - (B) The design capacity and typical operating schedule of the proposed construction or modification.**
 - (C) A description of the source and the emissions unit or units comprising the source.**
 - (D) A description of any emission control equipment, including design specifications.**
- (3) A schedule for construction or modification of the source or emissions unit.**
- (4) The following information as needed to assure all reasonable information is provided to evaluate compliance consistent with the permit terms and conditions, the underlying requirements of this title and the CAA, the ambient air quality standards set forth in 326 IAC 1-3, or the prevention of significant deterioration maximum allowable increase under 326 IAC 2-2:**
 - (A) Information on the nature and amount of the pollutant to be emitted, including an estimate of the potential to emit of any regulated air pollutant.**
 - (B) Estimates of offset credits as required under 326 IAC 2-3, for sources to be constructed in nonattainment areas.**
 - (C) Monitoring, testing, reporting, and record keeping requirements.**
 - (D) Any other information (including, but not limited to, the air quality impact) determined by the commissioner to be necessary to demonstrate compliance with the requirements of this title and the requirements of the CAA, whichever are applicable.**
- (5) Each application shall be signed by an authorized individual, unless otherwise noted, whose signature constitutes acknowledgement that the applicant assumes the**

responsibility of assuring that the source, emissions unit or units, or emission control equipment will be constructed and will operate in compliance with all applicable Indiana air pollution control rules and the requirements of the CAA. Such signature shall constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.

(b) If the commissioner finds an application submitted in accordance with this rule to be incomplete, the commissioner shall mail a notice of deficiency to the applicant that specifies the portions of the application that:

- (1) do not contain adequate information for the commissioner to process the application; or
- (2) are not consistent with applicable law or rules.

The applicant shall forward the required additional information to the commissioner, or request additional time for providing the information, within sixty (60) calendar days of receipt of the notice of deficiency. If the additional information is not submitted within sixty (60) calendar days, or the additional time provided by the commissioner, the application may be denied in accordance with IC 13-15-4-9. (*Air Pollution Control Board; 326 IAC 2-6.1-4*)

326 IAC 2-6.1-5 Operating permit content

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 5. (a) Permits or permit revisions issued under this rule shall contain the following:

- (1) Emission limitations for any source or emissions unit that assure:
 - (A) the ambient air quality standards set forth in 326 IAC 1-3 will be attained, maintained, or both;
 - (B) the applicable prevention of significant deterioration maximum allowable increases set forth in 326 IAC 2-2 will be maintained;
 - (C) the public health will be protected; and
 - (D) compliance with the requirements of this title and the requirements of the CAA will be maintained.
- (2) Monitoring, testing, reporting, and record keeping requirements that assure reasonable information is provided to evaluate compliance consistent with the permit terms and conditions, the underlying requirements of this title and the CAA. Such requirements shall be in accordance with 326 IAC 3 and other applicable regulations.
- (3) A requirement that any revision of an emission limitation, monitoring, testing,

reporting, and record keeping requirements shall be made consistent with the permit revision requirements under section 6 of this rule and the procedures under this rule.

(4) The following requirements with respect to compliance:

(A) The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner.

(B) A requirement that upon presentation of credentials and other documents as may be required by law, the owner or operator shall allow the commissioner, an authorized representative of the commissioner, or the U.S. EPA to perform the following at a reasonable time of day and in accordance with safety requirements:

(i) (A) Enter upon the premises where a permitted source is located or emissions related activity is conducted or where records required by a permit term or condition are kept.

(ii) (B) Have access to and copy any records that must be kept under this title or the conditions of a permit or operating permit revision.

(iii) (C) Inspect any operations, processes, emissions units (including monitoring and air pollution control equipment), or practices regulated or required under a permit or operating permit revision.

(iv) (D) Sample or monitor substances or parameters for the purpose of assuring compliance with a permit, permit revision, or applicable requirement, as authorized by the CAA and this title.

(v) (E) Document alleged violations using cameras or video equipment. Such documentation may be subject to a claim of confidentiality under 326 IAC 17.

(5) A requirement that an authorized individual provide an annual notice to the department that the source is in operation and in compliance with the permit or registration. The commissioner may request that the source provide an identification of all emission units that have been installed that are described under 326 IAC 2-1.1-3(d)(1) through (33) with the annual notification.

(b) An operating permit issued under this rule may include terms and conditions that, notwithstanding the permit modification or revision requirements under section 6 of this rule, allow the source to make modifications without review, provided the operating permit includes terms and conditions that prescribe emissions limitations and standards applicable to specifically identified modifications or types of modifications which may occur during the term of the permit. Such permit conditions shall include the following:

(1) Emission limitations and standards necessary to assure compliance with the

permit terms and conditions and all applicable requirements.

(2) Monitoring, testing, reporting, and record keeping requirements that assure all reasonable information is provided to evaluate continuous compliance with the permit terms and conditions, the underlying requirements of this title, and the CAA.

(Air Pollution Control Board; 326 IAC 2-6.1-5)

326 IAC 2-6.1-6 Permit revisions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 6. (a) Any person proposing to construct new emission units, modify existing emission units, or otherwise modify the source as described in this section shall submit a application or notification for a permit revision in accordance with this rule.

(b) Notwithstanding any other provision of this rule, the owner or operator of a source may repair or replace an emissions unit or air pollution control equipment or components thereof that would require a permit or operating permit revision under a provision of this rule prior to receiving the permit or operating permit revision if:

- (1)** the repair or replacement results in a potential to emit for each regulated pollutant that is less than or equal to the potential to emit of the equipment or the affected emissions unit that was repaired or replaced;
- (2)** the repair or replacement is not a major modification under 326 IAC 2-2-1, 326 IAC 2-3-1, or 326 IAC 2-4.1;
- (3)** the repair or replacement:
 - (A)** returns the emissions unit, process, or control equipment to normal operation after an upset, malfunction, mechanical failure; or
 - (B)** prevents impending and imminent failure of the emissions unit, process, or control equipment; and
- (4)** the owner or operator of the source submits an application for a permit or permit revision to the commissioner no later than thirty (30) calendar days after initiating the repair or replacement.

(c) An application or notification required under this section shall contain the following information:

- (1)** The company name and address.
- (2)** A description of the change and the emissions resulting from the change.
- (3)** An identification of the applicable requirements to which the source is newly subject as a result of the change, including the applicable emission limits and standards, applicable monitoring and test methods, and applicable record keeping and reporting requirements.

(4) A schedule of compliance, if applicable.

(5) Each application or notification shall be signed by an authorized individual whose signature constitutes an acknowledgement that the applicant assumes the responsibility of assuring that the source, emissions unit or units, or emission control equipment will be modified and will operate in compliance with all applicable Indiana air pollution control rules and the requirements of the CAA. Such signature shall also constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.

(d) Notwithstanding the public participation requirements under 326 IAC 2-1.1-6, the following changes shall be designated as notice-only changes and shall not require public notice or prior approval by the commissioner.

(1) Changes correcting typographical errors.

(2) Minor administrative changes such as a change in the name, address, or telephone number of any person identified in a permit or a change in descriptive information concerning the source or emissions unit or units.

(3) Changes in ownership or operational control of a source.

(4) Modifications that would require more frequent monitoring or reporting.

(5) Modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not result in an increase in the potential to emit of any regulated pollutant greater than the thresholds in 326 IAC 2-1.1-3(d)(1) or a significant change in the method or methods to demonstrate or monitor compliance.

(6) Incorporation of newly applicable requirements as a result of a change in applicability.

(7) Incorporates alternative testing or compliance monitoring requirements that have received U.S. EPA approval under 40 CFR 60, 40 CFR 61, or 40 CFR 63*.

(8) Incorporates newly-applicable monitoring or testing requirements specified in 40 CFR 60, 40 CFR 61, or 40 CFR 63* that apply as the result of a change in applicability of those requirements to the source, including removal from the permit of monitoring or testing requirements that no longer apply as a result of the change in applicability.

(9) Incorporates test methods or monitoring requirements specified in an applicable requirement that the source may use under the applicable requirement as an alternative to the testing or monitoring requirements contained in the permit.

(10) Modifications that have the potential to emit greater than or equal to one (1) ton per year but less than ten (10) tons per year of a single hazardous air pollutant (HAP) as defined under Section 112(b) of the CAA or greater than or equal to two and one-half (2.5) tons per year but less than twenty-five (25) tons per year of any

combination of HAPs.

(11) A modification that meets the applicability criteria and can meet and will comply with the operational limitations for a source specific operating agreement under 326 IAC 2-9 or a general permit under 326 IAC 2-12.

(12) A modification of an existing source if the modification will replace or repair a part or piece of equipment in an existing process unless the modification:

- (A) results in the replacement or repair of an entire process;
- (B) qualifies as a reconstruction of an entire process; or
- (C) may result in an increase of actual emissions.

(13) A modification that adds an emissions unit or units of the same type that are already permitted and that will comply with the same applicable requirements and permit terms and conditions as the existing emission unit or units, except if the modification would result in a potential to emit greater than the thresholds in 326 IAC 2-2 or 2-3.

(14) A modification that is subject to the following reasonably available control technology (RACT), a new source performance standard (NSPS), or a national emission standard for hazardous air pollutants (NESHAP) and the RACT, NSPS, or NESHAP is the most stringent applicable requirement, except for those modifications that would be subject to the provisions of 40 CFR 63, Subpart B (61 FR 68384, December 27, 1996) Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*:

- (A) 40 CFR 60.40c, except for modifications to a source located in Lake County.
- (B) 40 CFR 60.110b.
- (C) 40 CFR 60.250, except for modifications that include thermal dryers.
- (D) 40 CFR 60.330 for modifications that only include emergency generators.
- (E) 40 CFR 60.670.
- (F) 40 CFR 61.110.

As part of the application required under subsection (c), the applicant shall acknowledge the requirement to comply with the RACT, NSPS, or NESHAP. For modifications under clauses (A) through (D), the source must use the monitoring specified in the relevant RACT, NSPS, or NESHAP.

(15) A modification that is subject to the following new source performance standard (NSPSs), except for modifications that would be subject to 326 IAC 8-1-6:

- (A) 40 CFR 60.310.
- (B) 40 CFR 60.390.
- (C) 40 CFR 60.430.
- (D) 40 CFR 60.440.
- (E) 40 CFR 60.450.
- (F) 40 CFR 60.460.
- (G) 40 CFR 60.490.
- (H) 40 CFR 60.540.

- (I) 40 CFR 60.560.
- (J) 40 CFR 60.580.
- (K) 40 CFR 60.600.
- (L) 40 CFR 60.660.
- (M) 40 CFR 60.720.

As part of the application required under subsection (c), the applicant shall acknowledge the requirement to comply with the NSPS. For modifications under clauses (A) through (H), the source must use the monitoring specified in the NSPS.

(e) Any person proposing to make a change or modification described in subsection (d) shall submit a notification concerning the change or modification within thirty (30) calendar days of making the change or modification and shall include the information under subsection (c).

(f) The permit commissioner shall be revised upon submittal revise the permit within thirty (30) days of receipt of the notification by the one (1) of the following means:

- (1) Certified mail.
- (2) Delivery by hand or express service.
- (3) Transmission by other equally reliable means of notification by the source to the commissioner.

The commissioner shall provide the permittee with a copy of the revised permit. Notwithstanding IC 13-15-5, the permit revision shall be effective immediately.

(g) The following modifications shall require minor permit revisions and shall require approval prior to construction and operation:

- (1) Modifications that would reduce the frequency of any monitoring or reporting required by a permit condition or applicable requirement.
- (2) The addition of a portable source as defined in 326 IAC 2-14.
- (3) Modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not increase the potential to emit of any regulated pollutant greater than the thresholds under subdivision (4), but requires a significant change in the method or methods to demonstrate or monitor compliance.
- (4) Modifications that would have a potential to emit within the following ranges:
 - (A) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of either particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).
 - (B) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of the following pollutants:
 - (i) Sulfur dioxide (SO₂).
 - (ii) Nitrogen oxides (NO_x).

- (iii) Volatile organic compounds (VOC) for modifications that are not subject to 326 IAC 8.
- (C) Less than twenty-five (25) tons per year and equal to or greater than fifteen (15) pounds per day of volatile organic compounds (VOC) for modifications that are subject to 326 IAC 8.
- (D) Less than one hundred (100) tons per year and equal to or greater than twenty-five (25) tons per year of carbon monoxide (CO).
- (E) Less than five (5) tons per year and equal to or greater than two-tenths (0.2) ton per year of lead (Pb).
- (F) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of the following regulated air pollutants:
 - (i) Hydrogen sulfide (H₂S).
 - (ii) Total reduced sulfur (TRS).
 - (iii) Reduced sulfur compounds.
 - (iv) Fluorides.
- (5) Modifications for which the potential to emit is limited to less than twenty-five (25) tons per year of any regulated pollutant other than hazardous air pollutants, ten (10) tons per year of any single hazardous air pollutant as defined under Section 112(b) of the CAA, or twenty-five (25) tons per year of any combination of hazardous air pollutants by complying with one (1) of the following constraints:
 - (A) Limiting total annual solvent usage or maximum volatile organic compound content, or both.
 - (B) Limiting annual hours of operation of the process or business.
 - (C) Using a particulate air pollution control device as follows:
 - (i) Achieving and maintaining ninety-nine percent (99%) efficiency.
 - (ii) Complying with a no visible emission standard.
 - (iii) The potential to emit before air pollution controls does not exceed major source thresholds for federal permitting programs.
 - (iv) Certifying to the commissioner that the air pollution control device supplier guarantees that a specific outlet concentration, in conjunction with design air flow, will result in actual emissions less than twenty-five (25) tons of particulate matter (PM) or fifteen (15) tons per year of particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).
 - (D) Limiting individual fuel usage and fuel type for a combustion source.
 - (E) Limiting raw material throughput or sulfur content of raw materials, or both.
- (6) A modification that is not described under subsection (d)(14) or (d)(15) and is subject to a RACT, a NSPS or a NESHAP and the RACT, NSPS or NESHAP is the most stringent applicable requirement, except for those modifications that would be

subject to the provisions of 40 CFR 63, Subpart B (61 FR 68384, December 27, 1996) Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*. As part of the application required under subsection (c), the applicant shall acknowledge the requirement to comply with the RACT, NSPS, or NESHAP.

(7) A change for which a source requests an emission limit to avoid 326 IAC 8-1-6.

(h) Minor permit revision procedures are as follows:

(1) Any person proposing to make a modification described in subsection (g) shall submit an application concerning the modification and shall include the information under subsection (c).

(2) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the modification until the commissioner has revised the permit.

(3) Within forty-five (45) calendar days from receipt of an application for a minor permit revision, the commissioner shall do one (1) of the following:

(A) Approve the minor permit revision request.

(B) Deny the minor permit revision request.

(C) Determine that the minor permit revision request would impact air quality, would allow for a significant increase in emissions, or would not provide for the determination or monitoring of compliance monitoring consistent with this rule and should be processed as a significant permit revision.

(4) The permit shall be revised by attaching incorporating the minor permit revision to into the permit. The commissioner shall make all changes necessary to assure compliance with this title and the CAA prior to attaching the amendment to the permit. The commissioner shall notify the source upon attachment of the minor permit revision to the permit. Notwithstanding IC 13-15-5, the permit revision shall be effective immediately.

(i) Significant permit revision procedures are as follows:

(1) Significant permit revisions are those changes that are not subject to subsection (d) or (g) and include the following:

(A) Any modification that would be subject to 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1.

(B) Any modification that results in the source needing to obtain a FESOP under 326 IAC 2-8 or a Part 70 permit under 326 IAC 2-7.

(C) A modification that is subject to 326 IAC 8-1-6.

(D) For a source in Lake or Porter County with the potential to emit of twenty-five (25) tons per year of either VOC or NOx, any modification that would result in an increase of either emissions as follows:

(i) Greater than or equal to fifteen (15) pounds per day of VOCs.

- (ii) Greater than or equal to twenty-five (25) pounds per day of NO_x.
 - (E) Any modification with a potential to emit of lead greater than or equal to one (1) ton per year.
 - (F) Any modification with a potential to emit greater than or equal to twenty-five (25) tons per year of the following pollutants:
 - (i) Particulate matter (PM) or particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).
 - (ii) Sulfur dioxide (SO₂).
 - (iii) Nitrogen oxides (NO_x).
 - (iv) Volatile organic compounds (VOC).
 - (v) Hydrogen sulfide (H₂S).
 - (vi) Total reduced sulfur (TRS).
 - (vii) Reduced sulfur compounds.
 - (viii) Fluorides.
 - (G) For a source of lead with a potential to emit greater than or equal to five (5) tons per year, a modification that would increase the potential to emit greater than or equal to six-tenths (0.6) ton per year.
 - (H) Any modification with a potential to emit greater than or equal to ten (10) tons per year of a single hazardous air pollutant as defined under Section 112(b) of the CAA or twenty-five (25) tons per year of any combination of hazardous air pollutants.
 - (I) Any modification with a potential to emit greater than or equal to one hundred (100) tons per year of carbon monoxide (CO).
 - (J) Modifications involving a pollution control project as defined in 326 IAC 2-1.1-1 that results in an increase in the potential to emit of any regulated pollutant greater than the thresholds under this section and requires a significant change in the method or methods to demonstrate or monitor compliance.
 - (K) Modifications involving a pollution prevention project as defined in 326 IAC 2-1.1-1 that increases the potential to emit of any regulated pollutant greater than the thresholds under this section.
- (2) The following shall apply to significant permit revisions.
- (A) Any person proposing to make a modification described in subdivision (1) shall submit an application concerning the modification and shall include the information under subsection (c).
 - (B) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the modification until the commissioner has revised the permit.
 - (C) The commissioner shall provide for public notice and comment in accordance with 326 IAC 2-1.1-6.
 - (D) The commissioner shall approve or deny the significant permit revision as

follows:

- (i) Within one hundred twenty (120) calendar days from receipt of an application for a significant permit revision, except for a significant permit revision under subdivision (1)(A).
- (ii) Within two hundred seventy (270) calendar days from receipt of an application for a significant permit revision under subdivision (1)(A).
- (E) The permit shall be revised by attaching incorporating the significant permit revision to into the permit. The commissioner shall make any changes necessary to assure compliance with this title and the CAA prior to attaching the significant permit revision to the permit.

(Air Pollution Control Board; 326 IAC 2-6.1-6)

326 IAC 2-6.1-7 Registration renewal

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

~~**Sec. 7. (a) Registrations shall have a fixed term not to exceed five (5) years. However, registrations may be valid for any lesser period if determined necessary for administrative reasons by the commissioner. At least sixty (60) calendar days prior to the expiration date of a registration, the applicant shall apply for a new registration from the commissioner if the applicant wishes to continue operation of the source. In the event the new registration is not issued or denied prior to the expiration of the existing registration and the application was filed in a timely manner, the source may continue to operate under the existing registration and the limitations and conditions set forth in the existing registration shall remain in force and effect until the new registration is issued or denied.**~~

- ~~**(b) The registration renewal application shall include the following information:**~~
- ~~**(1) Certification that the source has not changed from the initial permit issuance or identification of additional operations, processes, or equipment at the source that have been issued a registration.**~~
- ~~**(2) Identification all emission units that have been installed that are described under 326 IAC 2-1.1-3(d)(1) through (33).**~~
- ~~**(3) Identification of any changes to the source that are subject to this article that have not received approval prior to construction or operation.**~~

(Air Pollution Control Board; 326 IAC 2-6.1-7)

326 IAC 2-6.1-7 Operating permit renewal

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 7. (a) An operating permit shall be valid for a period of time not to exceed

five (5) years. However, permits may be valid for any lesser period if determined necessary for administrative reasons by the commissioner.

(b) At least ninety (90) calendar days prior to the expiration date of an operating permit, the applicant shall apply for a new operating permit from the commissioner if the applicant wishes to continue operation of the source. If a new permit is not issued or is denied prior to the expiration of the existing permit and the application for renewal was filed in a timely manner, the source may continue to operate under its existing permit and the limitations and conditions set forth in the existing permit shall remain in force and effect until the new permit is issued or denied.

(c) The application for the operating permit renewal shall include the following information:

- (1) Certification that the source has not changed from the initial permit issuance or that all modifications to the source have been reviewed and approved in accordance with this rule.
- (2) Identification of any changes to the source that are subject to this article that have not received approval prior to construction or operation.

(Air Pollution Control Board; 326 IAC 2-6.1-7)

SECTION 17. 326 IAC 2-7-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-1 Definitions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11-2

Sec. 1. For purposes of this rule, the definition given for a term in this rule shall control in any conflict between 326 IAC 1-2 and this rule. In addition to the definitions provided in IC 13-11-2 and 326 IAC 1-2, the following definitions apply throughout this rule unless expressly stated otherwise or unless the context clearly implies otherwise:

- (1) "Acid rain program" means the national sulfur dioxide and nitrogen oxides air pollution control and emissions reduction program established in accordance with Title IV of the CAA, 40 CFR 72, and 40 CFR 75 through 40 CFR 78*, 58 FR 3590*, and regulations implementing Sections 407 and 410 of the CAA.
- (2) "Actual emissions" means the actual rate of emissions in tons per year of any regulated pollutant emitted from a Part 70 source over the preceding calendar year or any other period determined by the commissioner to be representative of normal source operation.
- (3) "Affected source" shall have the meaning given to it in the regulations promulgated under Title IV of the CAA.
- (4) "Affected states" means all states:

- (A) whose air quality may be affected and are contiguous to the state of Indiana; or
 - (B) that are within fifty (50) miles of the permitted source.
- (5) "Affected unit" shall have the meaning given to it in the regulations promulgated under Title IV of the CAA.
- (6) "Applicable requirement" means all of the following as they apply to emissions units in a Part 70 source (including requirements that have been promulgated or approved by the U.S. EPA through rulemaking at the time of permit issuance but have future effective compliance dates):
- (A) Any standard or other requirement provided for in the applicable implementation plan approved or promulgated by the U.S. EPA through rulemaking under Title I of the CAA that implements the relevant requirements of the CAA, including any revisions to that plan promulgated in 40 CFR 52*.
 - (B) Any term or condition of any preconstruction permits issued under regulations approved or promulgated through rulemaking under Title I, including Part C or D of the CAA.
 - (C) Any standard or other requirement under Section 111 of the CAA, including Section 111(d) of the CAA.
 - (D) Any standard or other requirement under Section 112 of the CAA, including any requirement concerning accident prevention under Section 112(r)(7) of the CAA.
 - (E) Any standard or other requirement of the acid rain program under Title IV of the CAA or the regulations promulgated thereunder.
 - (F) Any requirements established under Section 504(b) or 114(a)(3) of the CAA.
 - (G) Any standard or other requirement governing solid waste incineration under Section 129 of the CAA.
 - (H) Any standard or other requirement for consumer and commercial products under Section 183(e) of the CAA.
 - (I) Any standard or other requirement for tank vessels under Section 183(f) of the CAA.
 - (J) Any standard or other requirement of the Code of Federal Regulations promulgated to protect stratospheric ozone under Title VI of the CAA, unless the U.S. EPA has determined that such requirements need not be contained in a Part 70 permit.
 - (K) Any national ambient air quality standard or increment or visibility requirement under Part C of Title I of the CAA, but only as it would apply to temporary sources permitted under Section 504(e) of the CAA.
- (7) "Area source" means any stationary source of hazardous air pollutants that is not a major source. This term does not include motor vehicles or nonroad vehicles subject to regulation under Title II of the CAA.
- (8) "Clean Air Act" or "CAA" means the Clean Air Act, as amended (including the Clean Air Act Amendments of 1990 (P.L.101-549)), 42 U.S.C. 7401, et seq.
- (9) "Code of Federal Regulations" or "CFR", unless otherwise provided, means:

- (A) with respect to 40 CFR*, generally, the July 1, 1994, edition of the Code of Federal Regulations; and
 - (B) with respect to 40 CFR 70*, the codified regulation published in the Federal Register, Volume 57, Number 140, Tuesday, July 21, 1992.
- (10) "Designated representative" shall have the meaning given to it in Section 402(26) of the CAA and the regulations promulgated thereunder.
- (11) "Draft Part 70 permit" means the version of a Part 70 permit for which the commissioner offers public participation and notice to affected states under section 17 of this rule.
- (12) "Emergency" means any situation, including acts of God, arising from sudden and reasonably unforeseeable events beyond the reasonable control of the source, which:
- (A) requires immediate corrective action to restore normal operation; and
 - (B) causes the source to exceed an emission limit under a Part 70 permit due to unavoidable increases in emissions attributable to the emergency.
- An emergency shall not include noncompliance to the extent caused by improperly designed equipment, failure to implement an adequate preventive maintenance plan, careless or improper operation, or operator error.
- (13) "Emission limitation or standard" means any of the following as defined under the CAA:
- (A) A federally enforceable emission limitation or standard.
 - (B) A standard of performance.
 - (C) A means of emission limitation.
- An emission limitation or standard may be expressed in terms of the pollutant, expressed either as a specific quantity, rate, or concentration of emissions (for example, pounds of sulfur dioxide (SO₂) per hour, pounds of sulfur dioxide (SO₂) per mmBtu, kilograms of volatile organic compounds (VOC) per liter of applied coating solids) or as the relationship of uncontrolled to controlled emissions (for example, percent capture and destruction efficiency of VOC or percent reduction of SO₂). An emission limitation or standard may also be expressed either as a work practice process or other form of design, equipment operation, or operation and maintenance requirement.
- (14) "Emissions allowable under the Part 70 permit" means a federally enforceable Part 70 permit term or condition determined at issuance to be required by an applicable requirement that establishes an emissions limit (including a work practice standard) or a federally enforceable emissions cap that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject.
- (15) "Emissions unit" means any part or activity of a stationary source that emits or has the potential to emit any regulated air pollutant or any pollutant listed under Section 112(b) of the CAA. This term is not meant to alter or affect the definition of unit for purposes of Title IV of the CAA.
- (16) "Federally enforceable state operating permit" or "FESOP" means a permit issued under 326 IAC 2-8.

- (17) "Final Part 70 permit" means the version of a Part 70 permit issued by the commissioner that has completed all review procedures required by sections 17 and 18 of this rule.
- (18) "Fugitive emissions" means emissions which could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.
- (19) "General Part 70 permit" means a Part 70 permit that is applicable to a class or category of sources or modifications thereto, whether or not under common ownership or control, that are subject to similar applicable requirements.
- (20) "Health-based emission limit" means any enforceable condition the sole purpose of which is to protect public health or welfare without regard to technical achievability, including, but not limited to, any requirement in a permit based on:
- (A) an emission standard for hazardous air pollutants promulgated under 40 CFR 61*, including 326 IAC 14;
 - (B) conditions to prevent significant deterioration of air quality established under 40 CFR 52.21*, including 326 IAC 2-2-5 and 326 IAC 2-2-6 but excluding conditions based on best available control technology (BACT);
 - (C) limits relied upon in a formal attainment demonstration supporting a state implementation plan approved by the U.S. EPA under Section 110(a)(2)(K) of the CAA, with the exception of limits based on reasonably available control technology (RACT) for sources of volatile organic compounds (VOCs) in areas designated attainment for ozone in accordance with the CAA; or
 - (D) conditions established as residual risk standards under 42 U.S.C. 7412(f).
- (21) "Insignificant activity" has any of the meanings specified in clauses (A) through (G) as follows:
- (A) An emission unit or activity whose potential uncontrolled emissions meet the exemption levels specified in ~~326 IAC 2-1-1~~ **326 IAC 2-1.1-3(d)(1)** or the exemption levels specified in items (i) through (iii), whichever is lower.
 - (i) For lead or lead compounds measured as elemental lead, the exemption level is six-tenths (0.6) ton per year or three and twenty-nine hundredths (3.29) pounds per day.
 - (ii) For carbon monoxide (CO), the exemption limit is twenty-five (25) pounds per day.
 - (iii) For sulfur dioxide, the exemption level is five (5) pounds per hour or twenty-five (25) pounds per day.
 - (B) For an emission unit or activity with potential uncontrolled emissions of particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀), the exemption level is either five (5) pounds per hour or twenty-five (25) pounds per day.
 - (C) For units with potential uncontrolled emissions of HAPs, that are not listed as insignificant in clause (D) through (G) or defined as trivial in subdivision (40), an insignificant activity is any of the following:

(i) Any unit, **not regulated by a NESHAP**, emitting greater than one (1) pound per day but less than five (5) pounds per day or one (1) ton per year of a single HAP.

(ii) Any unit, **not regulated by a NESHAP**, emitting greater than one (1) pound per day but less than twelve and five-tenths (12.5) pounds per day or two and five-tenths (2.5) tons per year of any combination of HAPs.

The source shall provide a description of the insignificant activity, including identification of the HAPs emitted and any applicable requirements. A source may rely on MSDS sheets, product labels, other manufacturer's information, or other technical and scientific judgement for identification of HAPs. Insignificant activities that are part of a multistep process line shall be reported as such on the operating permit application, and the source shall include a description of the function and components of the process line on the operating permit application. Insignificant activities that perform equivalent functions shall be grouped, and the function and number of those units shall be included on the operating permit application.

(D) Emissions from a laboratory as defined in this clause. As used in this clause, "laboratory" means a place or activity devoted to experimental study or teaching, or to the testing and analysis of drugs, chemicals, chemical compounds or other substances, or similar activities, provided that the activities described in this sentence are conducted on a laboratory scale. Activities are conducted on a laboratory scale if the containers used for reactions, transfers, and other handling of substances are designed to be easily and safely manipulated by one (1) person. If a facility manufactures or produces products for profit in any quantity, it shall not be considered to be a laboratory under this clause. Support activities necessary to the operation of the laboratory are considered to be part of the laboratory. Support activities do not include the provision of power to the laboratory from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to an entire facility.

(E) Emissions from research and development activities as defined in this clause. As used in this clause, "research and development activities" means activities conducted under close supervision of technically trained personnel, that are not engaged in the manufacture of products for sale, exchange for commercial profit, or distribution, except in a de minimis manner and the primary purpose of which is to:

- (i) test more efficient production processes;
- (ii) test methods for preventing or reducing adverse environmental impacts; or
- (iii) conduct research and development into new processes and products.

Support activities necessary to the research and development activities are considered to be part of the research and development activities. Support activities do not include the provision of power to the research and development activities from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to a source or solid waste disposal

units, such as incinerators.

(F) Emissions from educational and teaching activities as defined in this clause. As used in this clause, "educational and teaching activities" means activities conducted at public and nonpublic schools and postsecondary educational institutions for educational, vocational, agricultural, occupational, employment, or technical training purposes provided the activities do not include the production of an intermediate or final product for sale or exchange for commercial profit or distribution. Support activities necessary to the educational and teaching activities are considered to be part of the educational and teaching activities. Support activities do not include the provision of power to the educational and teaching activities from sources that provide power to multiple projects or from sources that would otherwise require permitting, such as boilers that provide power to a source or solid waste disposal units, such as incinerators.

(G) Any of the following listed activities:

(i) Combustion related activities, including the following:

(AA) Space heaters, process heaters, heat treat furnaces, or boilers using the following fuels:

(aa) Natural gas-fired combustion sources with heat input equal to or less than ten million (10,000,000) British thermal units per hour.

(bb) Propane or liquefied petroleum gas or butane-fired combustion sources with heat input equal to or less than six million (6,000,000) British thermal units per hour.

(cc) Fuel oil-fired combustion sources with heat input equal to or less than two million (2,000,000) British thermal units per hour and firing fuel containing equal to or less than five-tenths percent (0.5%) sulfur by weight.

(dd) Wood-fired combustion sources with heat input equal to or less than one million (1,000,000) British thermal units per hour and not burning treated wood or chemically contaminated wood.

(BB) Equipment powered by internal combustion engines of capacity equal to or less than five hundred thousand (500,000) British thermal units per hour except where total capacity of equipment operated by one (1) stationary source as defined by subdivision (38) exceeds two million (2,000,000) British thermal units per hour.

(CC) Combustion source flame safety purging on startup.

(ii) Fuel dispensing activities, including the following:

(AA) A gasoline fuel transfer dispensing operation handling less than or equal to one thousand three hundred (1,300) gallons per day and filling storage tanks having a capacity equal to or less than ten thousand five hundred (10,500) gallons. Such storage tanks may be in a fixed location or

on mobile equipment.

(BB) A petroleum fuel other than gasoline dispensing facility, having a storage tank capacity less than or equal to ten thousand five hundred (10,500) gallons, and dispensing three thousand five hundred (3,500) gallons per day or less.

(iii) The following VOC and HAP storage containers:

(AA) Storage tanks with capacity less than or equal to one thousand (1,000) gallons and annual throughputs equal to or less than twelve thousand (12,000) gallons.

(BB) Vessels storing the following:

(aa) Lubricating oils.

(bb) Hydraulic oils.

(cc) Machining oils.

(dd) Machining fluids.

(iv) Refractory storage not requiring air pollution control equipment.

(v) Equipment used exclusively for the following:

(AA) Packaging the following:

(aa) Lubricants.

(bb) Greases.

(BB) Filling drums, pails, or other packaging containers with the following:

(aa) Lubricating oils.

(bb) Waxes.

(cc) Greases.

(vi) Production related activities, including the following:

(AA) Application of:

(aa) oils;

(bb) greases;

(cc) lubricants; and

(dd) nonvolatile material;

as temporary protective coatings.

(BB) Machining where an aqueous cutting coolant continuously floods the machining interface.

(CC) Degreasing operations that do not exceed one hundred forty-five (145) gallons per twelve (12) months except if subject to 326 IAC 20-6.

(DD) Cleaners and solvents characterized as:

(aa) having a vapor pressure equal to or less than two **(2.0)** kilo Pascals (~~2.0 kPa~~) (fifteen **(15)** millimeters of mercury (~~15 mm Hg~~) or three-tenths **(0.3)** pound per square inch (~~0.3 psi~~)) measured at thirty-eight **(38)** degrees Centigrade (~~38°C~~) (one hundred **(100)** degrees Fahrenheit); (~~100°F~~); or

- (bb) having a vapor pressure equal to or less than seven-tenths **(0.7)** kilo Pascal (~~0.7 kPa~~) (five **(5)** millimeters of mercury (~~5 mm Hg~~) or one-tenth **(0.1)** pound per square inch) (~~0.1 psi~~) measured at twenty **(20)** degrees Centigrade (~~20°C~~) (sixty-eight **(68)** degrees Fahrenheit); (~~68°F~~);
- the use of which, for all cleaners and solvents combined, does not exceed one hundred forty-five (145) gallons per twelve (12) months.
- (EE) The following equipment related to manufacturing activities not resulting in the emission of HAPs:
 - (aa) Brazing.
 - (bb) Cutting torches.
 - (cc) Soldering.
 - (dd) Welding.
- (FF) Closed loop heating and cooling systems.
- (GG) Infrared cure equipment.
- (HH) Exposure chambers (towers or columns), for curing of ultraviolet inks and ultraviolet coatings where heat is the intended discharge.
- (II) Any of the following structural steel and bridge fabrication activities:
 - (aa) Cutting two hundred thousand (200,000) linear feet or less of one **(1)** inch (~~1"~~) plate or equivalent.
 - (bb) Using eighty (80) tons or less of welding consumables.
- (vii) Activities associated with the following recovery systems:
 - (AA) Rolling oil recovery systems.
 - (BB) Ground water oil recovery wells.
- (viii) Solvent recycling systems with batch capacity less than or equal to one hundred (100) gallons.
- (ix) Water based activities, including the following:
 - (AA) Activities associated with the treatment of wastewater streams with an oil and grease content less than or equal to one percent (1%) by volume.
 - (BB) Water run-off ponds for petroleum coke-cutting and coke storage piles.
 - (CC) Activities associated with the transportation and treatment of sanitary sewage, provided discharge to the treatment plant is under the control of the owner or operator, that is, an on-site sewage treatment facility.
 - (DD) Any operation using aqueous solutions containing less than or equal to one percent (1%) by weight of VOCs excluding HAPs.
 - (EE) Water based adhesives that are less than or equal to five percent (5%) by volume of VOCs excluding HAPs.
 - (FF) Noncontact cooling tower systems with either of the following:

- (aa) Natural draft cooling towers not regulated under a NESHAP.
- (bb) Forced and induced draft cooling tower systems not regulated under a NESHAP.

(GG) Quenching operations used with heat treating processes.

Oil, grease, or VOC content shall be determined by a test method acceptable to the department and the U.S. EPA.

(x) Repair activities, including the following:

(AA) Replacement or repair of electrostatic precipitators, bags in baghouses, and filters in other air filtration equipment.

(BB) Heat exchanger cleaning and repair.

(CC) Process vessel degassing and cleaning to prepare for internal repairs.

(xi) Trimmers that do not produce fugitive emissions and that are equipped with a dust collection or trim material recovery device, such as a bag filter or cyclone.

(xii) Stockpiled soils from soil remediation activities that are covered and waiting transport for disposal.

(xiii) Paved and unpaved roads and parking lots with public access.

(xiv) Conveyors as follows:

(AA) Covered conveyors for solid raw material, including the following:

(aa) Coal or coke conveying of less than or equal to three hundred sixty (360) tons per day.

(bb) Limestone conveying of less than or equal to seven thousand two hundred (7,200) tons per day for sources other than mineral processing plants constructed after August 31, 1983.

(BB) Uncovered coal or coke conveying of less than or equal to one hundred twenty (120) tons per day.

(CC) Underground conveyors.

(DD) Enclosed systems for conveying plastic raw material and plastic finished goods.

(xv) Coal bunker and coal scale exhausts and associated dust collector vents.

(xvi) Asbestos abatement projects regulated by 326 IAC 14-10.

(xvii) Routine maintenance and repair of buildings, structures, or vehicles at the source where air emissions from those activities would not be associated with any production process, including the following:

(AA) Purging of gas lines.

(BB) Purging of vessels.

(xviii) Flue gas conditioning systems and associated chemicals, such as the following:

(AA) Sodium sulfate.

(BB) Ammonia.

(CC) Sulfur trioxide.

(xix) Equipment used to collect any material that might be released during a

malfunction, process upset, or spill cleanup, including the following:

- (AA) Catch tanks.
- (BB) Temporary liquid separators.
- (CC) Tanks.
- (DD) Fluid handling equipment.
- (xx) Blowdown for the following:
 - (AA) Sight glass.
 - (BB) Boiler.
 - (CC) Cooling tower.
 - (DD) Compressors.
 - (EE) Pumps.
- (xxi) Furnaces used for melting metals other than beryllium with a brim full capacity equal to or less than four hundred fifty (450) cubic inches by volume.
- (xxii) Activities associated with emergencies, including the following:
 - (AA) On-site fire training approved by the department.
 - (BB) Emergency generators as follows:
 - (aa) Gasoline generators not exceeding one hundred ten (110) horsepower.
 - (bb) Diesel generators not exceeding one thousand six hundred (1,600) horsepower.
 - (cc) Natural gas turbines or reciprocating engines not exceeding sixteen thousand (16,000) horsepower.
 - (CC) Stationary fire pump engines.
- (xxiii) Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors, and electrostatic precipitators with a design grain loading of less than or equal to three one-hundredths (0.03) grains per actual cubic foot and a gas flow rate less than or equal to four thousand (4,000) actual cubic feet per minute, including the following:
 - (AA) Deburring.
 - (BB) Buffing.
 - (CC) Polishing.
 - (DD) Abrasive blasting.
 - (EE) Pneumatic conveying.
 - (FF) Woodworking operations.
- (xxiv) Purge double block and bleed valves.
- (xxv) Filter or coalescer media changeout.
- (xxvi) Vents from ash transport systems not operated at positive pressure.
- (xxvii) Mold release agents using low volatile products (vapor pressure less than or equal to two (2) kilo Pascals (~~2.0 kPa~~) measured at thirty-eight (38) degrees Centigrade). (~~38°C~~)).
- (xxviii) Farm operations.

(xxix) Woodworking equipment controlled by a baghouse provided that following criteria is met:

- (AA) The baghouse does not exhaust to the atmosphere greater than one hundred twenty-five thousand (125,000) cubic feet per minute.**
- (BB) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of three-thousandths (0.003) grain per dry standard cubic feet of outlet air.**
- (CC) Opacity from the baghouse does not exceed ten percent (10%).**
- (DD) The baghouse is in operation at all times that the woodworking equipment is in use.**
- (EE) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:**
 - (aa) The baghouse shall be inspected.**
 - (bb) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.**
- (FF) The baghouse is inspected quarterly when vented to the atmosphere.**
- (GG) The owner or operator keeps the following records:**
 - (aa) Records documenting the date when the baghouse redirected indoors or to the atmosphere.**
 - (bb) Quarterly inspection reports, when vented to the atmosphere.**
 - (cc) Visible observation reports.**
 - (dd) Records of corrective actions.**

(xxx) Woodworking equipment controlled by a baghouse provided that following criteria is met:

- (AA) The baghouse does not exhaust to the atmosphere greater than forty thousand (40,000) cubic feet per minute.**
- (BB) The baghouse does not emit particulate matter with a diameter less than ten (10) microns in excess of one-hundredth (0.01) grain per dry standard cubic feet of outlet air.**
- (CC) Opacity from the baghouse does not exceed ten percent (10%).**
- (DD) The baghouse is in operation at all times that the woodworking equipment is in use.**
- (EE) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in**

duration, the following shall occur:

(aa) The baghouse shall be inspected.

(bb) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.

(FF) The baghouse is inspected quarterly when vented to the atmosphere.

(GG) The owner or operator keeps the following records:

(aa) Records documenting the date when the baghouse redirected indoors or to the atmosphere.

(bb) Quarterly inspection reports, when vented to the atmosphere.

(cc) Visible observation reports.

(dd) Records of corrective actions.

(H) Detailed information concerning emissions from activities or equipment listed in clauses (A) through (G) is not required in a permit application submitted under this rule or 326 IAC 2-8; however, additional emissions information must be provided upon request by the department.

(I) Notwithstanding any other requirements in this rule, the applicant shall include all emissions sources and quantify emissions if needed to determine major source status, to determine compliance with any applicable requirement or to determine the applicability of any applicable requirement. Identification of an activity or equipment as insignificant under this section does not preclude the inclusion of the activity or equipment in a compliance plan or protocol as appropriate.

(J) Notwithstanding any other provision of this rule or 326 IAC 2-6, emissions from activities defined as insignificant in this clause or trivial in subdivision (40) need not be included in a source's annual emission statement required by 326 IAC 2-6.

(K) A change in a source's insignificant or trivial activities or the addition of an insignificant activity or trivial activity shall not constitute a modification for purposes of section 12 of this rule, if the new activity or modified activity meets the definition of "insignificant activity" of this clause or "trivial activity" of subdivision (40). The department may request that the source update its list of insignificant activities as part of its annual compliance certification.

(22) "Major source" means any stationary source or any group of stationary sources as described in clause (A), (B), or (C). For purposes of clauses (B) and (C), the term shall include any group of stationary sources that are located on one (1) or more contiguous or adjacent properties and are under common control of the same person (or persons under common control) belonging to a single major industrial grouping. In addition, for the purposes of defining major source in clause (B) or (C), a stationary source or group of stationary sources shall be considered part of a single industrial grouping if all of the pollutant emitting activities at such source or group of stationary sources on contiguous or adjacent properties belong to the same major group (i.e., all have the same two (2)

digit code) as described in the Standard Industrial Classification Manual, 1987. For purposes of clauses (B) and (C), any stationary source (or group of stationary sources) that supports another source, where both are under common control of the same person (or persons under common control) and are located on contiguous or adjacent properties, shall be considered a support facility and part of the same source regardless of the two (2) digit SIC code for that support facility. A stationary source (or group of stationary sources) is considered a support facility to a source if at least fifty percent (50%) of the output of the support facility is dedicated to the source. This term includes the following:

(A) A major source under Section 112 of the CAA, which is defined as follows:

(i) For pollutants other than radionuclides, any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate:

(AA) ten (10) tons per year (tpy) or more of any hazardous air pollutant that has been listed in Section 112(b) of the CAA;

(BB) twenty-five (25) tpy or more of any combination of such hazardous air pollutants; or

(CC) such lesser quantity as the U.S. EPA may establish by rule.

(ii) Notwithstanding item (i):

(AA) emissions from any oil or gas exploration or production well (with its associated equipment) and emissions from any pipeline compressor or pump station shall not be aggregated with emissions from other similar units, whether or not such units are in a contiguous area or under common control, to determine whether such units or stations are major sources; and
(BB) research and development activities may be considered separately for purposes of determining whether a major source is present, and need not be aggregated with collocated stationary sources unless the research and development activities contribute to the product produced or service rendered by the collocated sources in a more than de minimis manner.

(iii) For radionuclides, major source shall have the meaning specified by the U.S. EPA by rule.

(B) A major stationary source of air pollutants, as defined in Section 302 of the CAA, that directly emits or has the potential to emit, one hundred (100) tpy or more of any regulated air pollutant (including any major source of fugitive emissions of any such pollutant, as determined by the U.S. EPA by rule). The fugitive emissions of a stationary source shall not be considered in determining whether it is a major stationary source for the purposes of Section 302(j) of the CAA, unless the source belongs to one (1) of the following categories of stationary sources:

(i) Coal cleaning plants (with thermal dryers).

(ii) Kraft pulp mills.

(iii) Portland cement plants.

(iv) Primary zinc smelters.

- (v) Iron and steel mills.
 - (vi) Primary aluminum ore reduction plants.
 - (vii) Primary copper smelters.
 - (viii) Municipal incinerators, or combinations of municipal incinerators, capable of charging more than fifty (50) tons of refuse per day.
 - (ix) Hydrofluoric, sulfuric, or nitric acid plants.
 - (x) Petroleum refineries.
 - (xi) Lime plants.
 - (xii) Phosphate rock processing plants.
 - (xiii) Coke oven batteries.
 - (xiv) Sulfur recovery plants.
 - (xv) Carbon black plants (furnace process).
 - (xvi) Primary lead smelters.
 - (xvii) Fuel conversion plants.
 - (xviii) Sintering plants.
 - (xix) Secondary metal production plants.
 - (xx) Chemical process plants.
 - (xxi) Fossil fuel boilers (or combination thereof) totaling more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
 - (xxii) Petroleum storage and transfer units with a total storage capacity exceeding three hundred thousand (300,000) barrels.
 - (xxiii) Taconite ore processing plants.
 - (xxiv) Glass fiber processing plants.
 - (xxv) Charcoal production plants.
 - (xxvi) Fossil fuel fired steam electric plants of more than two hundred fifty million (250,000,000) British thermal units per hour heat input.
 - (xxvii) Any other stationary source category regulated under Section 111 or 112 of the CAA and for which the U.S. EPA has made an affirmative determination under Section 302(j) of the CAA.
- (C) A major stationary source as defined in Part D of Title I of the CAA, including the following:
- (i) For ozone nonattainment areas, sources with the potential to emit:
 - (AA) one hundred (100) tpy or more of volatile organic compounds or oxides of nitrogen in areas classified as marginal or moderate;
 - (BB) fifty (50) tpy or more of volatile organic compounds or oxides of nitrogen in areas classified as serious;
 - (CC) twenty-five (25) tpy or more of volatile organic compounds or oxides of nitrogen in areas classified as severe; or
 - (DD) ten (10) tpy or more of volatile organic compounds or oxides of nitrogen in areas classified as extreme;
- except that the references in this item to one hundred (100), fifty (50), twenty-

five (25), and ten (10) tpy of nitrogen oxides shall not apply with respect to any source for which the U.S. EPA has made a finding, under Section 182(f)(1) or 182(f)(2) of the CAA, that requirements under Section 182(f) of the CAA do not apply.

(ii) For ozone transport regions established under Section 184 of the CAA, sources with the potential to emit fifty (50) or more tpy of volatile organic compounds.

(iii) For carbon monoxide nonattainment areas:

(AA) that are classified as serious; and

(BB) in which stationary sources contribute significantly to carbon monoxide levels as determined under rules issued by the U.S. EPA;

sources with the potential to emit fifty (50) tpy or more of carbon monoxide.

(iv) For particulate matter PM₁₀ nonattainment areas classified as serious, sources with the potential to emit seventy (70) tpy or more of PM₁₀.

(23) "Part 70 permit" or "permit", unless the context suggests otherwise, means any Part 70 permit or group of Part 70 permits authorizing the operation of a Part 70 source that is issued, renewed, amended, or revised under this rule.

(24) "Part 70 permit modification" means a revision to a Part 70 permit that meets the requirements of section 12 of this rule.

(25) "Part 70 permit program costs" means all reasonable (direct and indirect) costs required to develop and administer a Part 70 permit program, as set forth in section 19 of this rule (whether such costs are incurred by the commissioner or other state or local agencies that do not issue Part 70 permits directly, but that support Part 70 permit issuance or administration).

(26) "Part 70 permit revision" means any Part 70 permit modification or administrative Part 70 permit amendment.

(27) "Part 70 program" means the operating permit program established by this rule and approved by the U.S. EPA under 40 CFR 70*.

(28) "Part 70 source" means any source subject to the permitting requirements as provided in section 2 of this rule.

(29) "Potential to emit" means the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U.S. EPA. This term does not alter or affect the use of this term for any other purpose under the CAA, (or the term "capacity factor" as used in Title IV of the CAA) (or the regulations promulgated thereunder).

(30) "Proposed Part 70 permit" means the version of a Part 70 permit that the commissioner proposes to issue and forwards to the U.S. EPA for review in compliance with section 18 of this rule.

- (31) "Regulated air pollutant" means any of the following:
- (A) Nitrogen oxides or any volatile organic compounds.
 - (B) Any pollutant for which a national ambient air quality standard has been promulgated.
 - (C) Any pollutant that is subject to any standard promulgated under Section 111 of the CAA.
 - (D) Any Class I or Class II substance subject to a standard promulgated under or established by Title VI of the CAA.
 - (E) Any pollutant subject to a standard promulgated under Section 112 of the CAA or other requirements established under Section 112 of the CAA, including Section 112(g), 112(j), and 112(r) of the CAA, including the following:
 - (i) Any pollutant subject to requirements under Section 112(j) of the CAA. If the U.S. EPA fails to promulgate a standard by the date established under Section 112(e) of the CAA, any pollutant for which a subject source would be major shall be considered to be regulated on the date eighteen (18) months after the applicable date established under Section 112(e) of the CAA.
 - (ii) Any pollutant for which the requirements of Section 112(g)(2) of the CAA have been met, but only with respect to the individual source subject to Section 112(g)(2) of the CAA.
- (32) "Regulated pollutant which is used only for purposes of section 19 of this rule" means any regulated air pollutant except the following:
- (A) Carbon monoxide.
 - (B) Any pollutant that is a regulated air pollutant solely because it is a Class I or Class II substance subject to a standard promulgated under or established by Title VI of the CAA.
 - (C) Any pollutant that is a regulated air pollutant solely because it is subject to a standard or regulation under Section 112(r) of the CAA.
 - (D) Any pollutant emitted by an insignificant or trivial activity as defined in this rule.
- (33) "Renewal" means the process by which a Part 70 permit is reissued at the end of its term.
- (34) "Responsible official" means the following:
- (A) For a corporation:
 - (i) a president;
 - (ii) a secretary;
 - (iii) a treasurer;
 - (iv) a vice president of the corporation in charge of a principal business function;
 - (v) any other person who performs similar policy or decision making functions for the corporation; or
 - (vi) a duly authorized representative of any person listed in this clause if the representative is responsible for the overall operation of one (1) or more manufacturing, production, or operating facilities applying for or subject to a Part

70 permit and either:

- (AA) the facilities employ more than two hundred fifty (250) persons or have gross annual sales or expenditures exceeding twenty-five million dollars (\$25,000,000) (in second quarter 1980 dollars); or
- (BB) the delegation of authority to such representative is approved in advance by the commissioner.

(B) For a partnership or sole proprietorship, a general partner or the proprietor, respectively.

(C) For a municipality, state, federal, or other public agency, either a principal executive officer or ranking elected official. As used in this clause, "principal executive officer of a federal agency" includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency, for example, a regional administrator of the U.S. EPA.

(D) For affected sources:

- (i) the designated representative for actions, standards, requirements, or prohibitions under Title IV of the CAA or the regulations promulgated thereunder; and

- (ii) the designated representative for any other purposes under a Part 70 permit.

(35) "Risk management plan" means a plan specified by Section 112(r) of the CAA.

(36) "Section 502(b)(10) changes" means changes that contravene an express Part 70 permit term. Such changes do not include changes that would violate applicable requirements or contravene federally enforceable Part 70 permit terms and conditions that are monitoring (including test methods), record keeping, reporting, or compliance certification requirements.

(37) "State" means any nonfederal permitting authority, including any local agency, interstate association, or statewide program. The term shall have its conventional meaning where such meaning is clear from the context. For purposes of the acid rain program, the term shall be limited to authorities within the forty-eight (48) contiguous states and the District of Columbia as provided in Section 402(14) of the CAA.

(38) "Stationary source" means any building, structure, facility, or installation that emits or may emit any regulated air pollutant or any pollutant listed under Section 112(b) of the CAA.

(39) "Technology-based emission limit" means any enforceable condition that is derived solely or in part from the capabilities of manmade equipment or processes, including, but not limited to, any requirement in a permit based on reasonably available control technology (RACT), best available control technology (BACT), maximum achievable control technology (MACT), lowest achievable emissions reduction (LAER), generally available control technology (GACT), best available retrofit technology (BART), any manufacturers' specifications, or the sources' physical potential to emit unless the applicable requirement was relied upon in a formal attainment demonstration supporting a state implementation plan approved by the U.S. EPA under Section 110(a)(2)(K) of the

CAA.

(40) "Trivial activity" has any of the following meanings:

(A) Any activity or emission unit, not regulated by a NESHAP, whose potential uncontrolled emissions are equal to or less than one (1) pound per day on an emission unit basis for any single HAP or combination of HAPs.

(B) Water related activities, including the following:

(i) Production of hot water for on-site personal use not related to any industrial or production process.

(ii) Water treatment activities used to provide potable and process water for the plant, excluding any activities associated with wastewater treatment.

(iii) Steam traps, vents, leaks, and safety relief valves.

(iv) Cooling ponds.

(v) Laundry operations using only water solutions of bleach or detergents.

(vi) Demineralized water tanks and demineralizer vents.

(vii) Boiler water treatment operations, not including cooling towers.

(viii) Oxygen scavenging (deaeration) of water.

(ix) Steam cleaning operations and steam sterilizers.

(x) Pressure washing of equipment.

(xi) Water jet cutting operations.

(C) Combustion activities, including the following:

(i) Portable electrical generators that can be moved by hand from one (1) location to another. As used in this clause, "moved by hand" means that it can be moved without the assistance of any motorized or nonmotorized vehicle, conveyance, or device.

(ii) Combustion emissions from propulsion of mobile sources.

(iii) Fuel use related to food preparation for on-site consumption.

(iv) Tobacco smoking rooms and areas.

(v) Blacksmith forges.

(vi) Indoor and outdoor kerosene heaters.

(D) Activities related to ventilation, venting equipment, and refrigeration, including the following:

(i) Ventilation exhaust, central chiller water systems, refrigeration, and air conditioning equipment, not related to any industrial or production process, including natural draft hoods or ventilating systems that do not remove air pollutants.

(ii) Stack and vents from plumbing traps used to prevent the discharge of sewer gases, handling domestic sewage only, excluding those at wastewater treatment plants or those handling any industrial waste.

(iii) Vents from continuous emissions monitors and other analyzers.

(iv) Natural gas pressure regulator vents, excluding venting at oil and gas production facilities.

- (v) Air vents from air compressors.
 - (vi) Vents for air cooling of electric motors provided the air does not commingle with regulated air pollutants.
 - (vii) Vents from equipment used to air blow water from cooled plastics strands or sheets.
- (E) Activities related to routine fabrication, maintenance, and repair of buildings, structures, equipment, or vehicles at the source where air emissions from those activities would not be associated with any commercial production process, including the following:
- (i) Activities associated with the repair and maintenance of paved and unpaved roads, including paving or sealing, or both, of parking lots and roadways.
 - (ii) Painting, including interior and exterior painting of buildings, and solvent use excluding degreasing operations utilizing halogenated organic solvents.
 - (iii) Brazing, soldering, or welding operations and associated equipment.
 - (iv) Portable blast-cleaning equipment with enclosures.
 - (v) Blast-cleaning equipment using water as the suspension agent and associated equipment.
 - (vi) Batteries and battery charging stations except at battery manufacturing plants.
 - (vii) Lubrication, including the following:
 - (AA) Hand-held spray can lubrication.
 - (BB) Dipping metal parts into lubricating oil.
 - (CC) Manual or automated addition of cutting oil in machining operations.
 - (viii) Nonasbestos insulation installation or removal.
 - (ix) Tarring, retarring, and repair of building roofs.
 - (x) Bead blasting of heater tubes.
 - (xi) Instrument air dryer and filter maintenance.
 - (xii) Manual tank gauging.
 - (xiii) Open tumblers associated with deburring operations in maintenance shops.
- (F) Activities performed using hand-held equipment, including the following:
- (i) Application of hot melt adhesives with no VOC in the adhesive formulation.
 - (ii) Buffing.
 - (iii) Carving.
 - (iv) Cutting, excluding cutting torches.
 - (v) Drilling.
 - (vi) Grinding.
 - (vii) Machining wood, metal, or plastic.
 - (viii) Polishing.
 - (ix) Routing.
 - (x) Sanding.
 - (xi) Sawing.

- (xii) Surface grinding.
- (xiii) Turning wood, metal, or plastic.
- (G) Housekeeping and janitorial activities and supplies, including the following:
 - (i) Vacuum cleaning systems used exclusively for housekeeping or custodial activities, or both.
 - (ii) Steam cleaning activities.
 - (iii) Rest rooms and associated cleanup operations and supplies.
 - (iv) Alkaline or phosphate cleaners and associated equipment.
 - (v) Mobile floor sweepers and floor scrubbers.
 - (vi) Pest control fumigation.
- (H) Office related activities, including the following:
 - (i) Office supplies and equipment.
 - (ii) Photocopying equipment and associated supplies.
 - (iii) Paper shredding.
 - (iv) Blueprint machines, photographic equipment, and associated supplies.
- (I) Lawn care and landscape maintenance activities and equipment, including the storage, spraying, or application of insecticides, pesticides, and herbicides.
- (J) Storage equipment and activities, including the following:
 - (i) Pressurized storage tanks and associated piping for the following:
 - (AA) Acetylene.
 - (BB) Anhydrous ammonia.
 - (CC) Carbon monoxide.
 - (DD) Chlorine.
 - (EE) Inorganic compounds.
 - (FF) Liquid petroleum gas (LPG).
 - (GG) Liquid natural gas (LNG) (propane).
 - (HH) Natural gas.
 - (II) Nitrogen dioxide.
 - (JJ) Sulfur dioxide.
 - (ii) Storage tanks, vessels, and containers holding or storing liquid substances that do not contain any VOC or HAP.
 - (iii) Storage tanks, reservoirs, and pumping and handling equipment of any size containing soap, vegetable oil, grease, wax, animal fat, and nonvolatile aqueous salt solutions, provided appropriate lids and covers are utilized.
 - (iv) Storage of drums containing maintenance raw materials.
 - (v) Storage of the following:
 - (AA) Castings.
 - (BB) Lance rods.
 - (CC) Any non-HAP containing material in solid form stored in a sealed or covered container.
 - (vi) Portable containers used for the collection, storage, or disposal of materials

provided the container capacity is equal to or less than forty-six hundredths (0.46) cubic meters and the container is closed except when the material is added or removed.

- (K) Emergency and standby equipment, including the following:
 - (i) Emergency (backup) electrical generators at residential locations, such as dormitories, prisons, and hospitals.
 - (ii) Safety and emergency equipment except engine driven fire pumps, including fire suppression systems and emergency road flares.
 - (iii) Process safety relief devices installed solely for the purpose of minimizing injury to persons or damage to equipment that could result from abnormal process operating conditions, including the following:
 - (AA) Explosion relief vents, diaphragms, or panels.
 - (BB) Rupture discs.
 - (CC) Safety relief valves.
 - (iv) Activities and equipment associated with on-site medical care not otherwise specifically regulated.
 - (v) Vacuum producing devices for the purpose of removing potential accidental releases.
- (L) Sampling and testing equipment and activities, including the following:
 - (i) Equipment used for quality control/assurance or inspection purposes, including sampling equipment used to withdraw materials for analysis.
 - (ii) Hydraulic and hydrostatic testing equipment.
 - (iii) Ground water monitoring wells and associated sample collection equipment.
 - (iv) Environmental chambers not using HAP gases.
 - (v) Shock chambers.
 - (vi) Humidity chambers.
 - (vii) Solar simulators.
 - (viii) Sampling activities, including the following:
 - (AA) Sampling of waste.
 - (BB) Glove box sampling, charging, and packaging.
 - (ix) Instrument air dryers and distribution.
- (M) Use of consumer products and equipment where the product or equipment is used at a source in the same manner as normal consumer use and is not associated with any production process.
- (N) Equipment and activities related to the handling, treating, and processing of animals, including the following:
 - (i) Equipment used exclusively to slaughter animals, but not including the following:
 - (AA) Rendering cookers.
 - (BB) Boilers.
 - (CC) Heating plants.

- (DD) Incinerators.
- (EE) Electrical power generating equipment.
- (ii) Veterinary operating rooms.
- (O) Activities generating limited amounts of fugitive dust, including the following:
 - (i) Fugitive emissions related to movement of passenger vehicles, provided the emissions are not counted for applicability purposes under subdivision (22)(B), and any required fugitive dust control plan or its equivalent is submitted.
 - (ii) Soil boring.
 - (iii) Road salting and sanding.
- (P) Activities associated with production, including the following:
 - (i) Closed, nonvented tumblers used for cleaning or deburring metal products without abrasive blasting.
 - (ii) Electrical resistance welding.
 - (iii) CO₂ lasers, used only on metals and other materials that do not emit HAPs in the process.
 - (iv) Laser trimmers that do not produce fugitive emissions and are equipped with a dust collection device such as a bag filter, cyclone, or equivalent device.
 - (v) Application equipment for hot melt adhesives with no VOC in the adhesive formulation.
 - (vi) Drop hammers or hydraulic presses for forging or metalworking.
 - (vii) Air compressors and pneumatically operated equipment, including hand tools.
 - (viii) Compressor or pump lubrication and seal oil systems.
 - (ix) Equipment used to mix and package soaps, vegetable oil, grease, animal fat, and nonvolatile aqueous salt solutions, provided appropriate lids and covers are utilized.
 - (x) Equipment for washing or drying fabricated glass or metal products, if no VOCs or HAPs are used in the process, and no gas, oil, or solid fuel is burned.
 - (xi) Handling of solid steel, including coils and slabs, excluding scrap burning, scarfing, and charging into steel making furnaces and vessels.
- (Q) Miscellaneous equipment, but not emissions associated with the process for which the equipment is used, and activities, including the following:
 - (i) Equipment used for surface coating, painting, dipping, or spraying operation, except those that will emit VOCs or HAPs.
 - (ii) Condensate drains for natural gas and landfill gas.
 - (iii) Electric or steam heated drying ovens and autoclaves, including only the heating emissions and not any associated process emissions.
 - (iv) Salt baths using nonvolatile salts, including caustic solutions that do not result in emissions of any regulated air pollutants.
 - (v) Ozone generators.
 - (vi) Portable dust collectors.

- (vii) Scrubber systems circulating water based solutions of inorganic salts or bases that are installed to be available for response to emergency situations.
- (viii) Soil borrow pits.
- (ix) Manual loading and unloading operations.
- (x) Purging of refrigeration devices using a combination of nitrogen and CFC-22 (R-22) as pressure test media.
- (xi) Construction and demolition operations.
- (xii) Mechanical equipment gear boxes and vents that are isolated from process materials.
- (xiii) Nonvolatile mold release waxes and agents.

Trivial activities do not need to be included in a permit application required under this rule or 326 IAC 2-8.

(41) "U.S. EPA" means the administrator of the United States Environmental Protection Agency or the administrator's designee.

*Copies of the Code of Federal Regulations (CFR) and the Federal Register (FR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-1; filed May 25, 1994, 11:00 a.m.: 17 IR 2249; filed Dec 19, 1995, 3:05 p.m.: 19 IR 1051; errata filed Apr 9, 1996, 2:30 p.m.: 19 IR 2045; filed May 31, 1996, 4:00 p.m.: 19 IR 2856; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2326*)

SECTION 18. 326 IAC 2-7-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-2 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) The following sources are required to have a Part 70 permit:

- (1) Any major source as defined in section 1(22) of this rule.
- (2) Any source, including an area source, subject to a standard, a limitation, or other requirement under Section 111 of the CAA.
- (3) Any source, including an area source, subject to a standard or other requirement under Section 112 of the CAA, or required to have a Part 70 permit under 326 IAC 20, except that a source is not required to obtain a Part 70 permit solely because it is subject to regulations or requirements under Section 112(r) of the CAA.
- (4) Any affected source as defined in section 1(3) of this rule.
- (5) Any source in a source category designated by the U.S. EPA under 40 CFR 70.3*.

(b) The following source categories are exempt from the requirement to have a Part 70

permit:

- (1) All sources listed in subsection (a) that are not major sources unless such sources are affected sources or solid waste incineration units required to obtain a Part 70 permit under Section 129(e) of the CAA, and except as provided in 326 IAC 20.
 - (2) Nonmajor sources subject to a standard or other requirement under either Section 111 or 112 of the CAA that are determined by the U.S. EPA to be exempt at the time a new standard is promulgated.
 - (3) All sources and source categories that would be required to obtain a Part 70 permit solely because they are subject to 40 CFR 60, Subpart AAA, Standards of Performance for New Residential Wood Heaters*.
 - (4) All sources and source categories that would be required to obtain a Part 70 permit solely because they are subject to 40 CFR 61, Subpart M, National Emission Standard for Hazardous Air Pollutants for Asbestos, Section 61.145, Standard for Demolition and Renovation*.
 - (5) A major source that has become nonmajor through the issuance of one (1) of the following permits:
 - (A) A federally enforceable state operating permit under 326 IAC 2-8.
 - (B) A valid initial operating permit under 326 IAC 2-1, that the commissioner determines has established enforceable conditions limiting potential to emit to less than the applicability levels of this rule. This permit shall function as a FESOP until its expiration. **The source shall:**
 - (i) ~~The source shall~~ pay a fee of one thousand five hundred dollars (\$1,500) in accordance with 326 IAC 2-8-16 upon billing by the department;
 - (ii) ~~The source shall~~ submit an annual compliance certification in accordance with 326 IAC 2-8-5; **and**
 - (iii) ~~The source shall~~ apply for a FESOP under 326 IAC 2-8 upon expiration of its operating permit under 326 IAC 2-1.
 - (6) A source for which the commissioner has issued an operating agreement under 326 IAC 2-9.
 - (7) A source that is not subject to this rule because it meets the requirements of 326 IAC 2-10 or 326 IAC 2-11.
- (c) Any source listed in subsection (b) as exempt from the requirement to obtain a Part 70 permit may opt to apply for a Part 70 permit under this rule.
- (d) Emissions units and Part 70 sources are subject to the following requirements:
- (1) For major sources, the commissioner shall include in a Part 70 permit all applicable requirements for all relevant emissions units in the major source.
 - (2) For any nonmajor source subject to the Part 70 program under this section, the commissioner shall include in a Part 70 permit all applicable requirements applicable to emissions units that cause the source to be subject to the Part 70 program.

(e) Fugitive emissions from a Part 70 source shall be included in a Part 70 permit application and a Part 70 permit in the same manner as stack emissions, regardless of whether the source category in question is included in the list of sources contained in the definition of major source.

(f) A Part 70 source shall be exempt from the requirement to have an operating permit under 326 IAC 2-1-3.2 **326 IAC 2-6.1** upon the date that an original Part 70 permit issued to the source under this rule becomes effective.

(g) A Part 70 source that has received a permit under the ~~enhanced new source review provisions of 326 IAC 2-1-3.2~~ **326 IAC 2-5.1 and receives approval to operate under 326 IAC 2-5.1-4(a)(3)** by the date a Part 70 permit application would be required for the source is exempt from the requirement to obtain a Part 70 permit under this rule.

*Copies of the Code of Federal Regulations (CFR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-2; filed May 25, 1994, 11:00 a.m.: 17 IR 2253; filed Sep 5, 1996, 11:00 a.m.: 20 IR 9; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2337; errata filed May 9, 1997, 11:30 a.m.: 20 IR 2414; filed May 7, 1997, 4:00 p.m.: 20 IR 2302; errata filed May 9, 1997, 11:30 a.m.: 20 IR 2413*)

SECTION 19. 326 IAC 2-7-4 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-4 Permit application

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 4. (a) The owner or operator of each Part 70 source has a duty to submit a timely and complete permit application as follows:

(1) An application is timely if the following conditions are met:

(A) For a first time applicant, a timely application is an application that is submitted within twelve (12) months after the source becomes subject to the Part 70 permit program unless the commissioner establishes otherwise in accordance with clause

(C). A source becomes subject to the Part 70 permit program:

- (i) on December 14, 1995, if the source is in existence and meets an applicability criterion of section 2 of this rule on that date; or
- (ii) for other sources, on the date on which a source first meets an applicability criterion of section 2 of this rule.

(B) Part 70 sources subject to Section 112(g) of the CAA or required to have a Part 70 permit under the preconstruction review program approved into the applicable

implementation plan under Part C or Part D of Title I of the CAA, shall file a complete application to obtain a Part 70 permit or Part 70 permit revision within twelve (12) months after commencing operation or on or before such earlier date as the commissioner may establish. Where an existing Part 70 permit would prohibit such construction or change in operation, the source must obtain a Part 70 permit revision before commencing operation.

(C) The commissioner may establish a schedule for submission of applications by source category or other means in order to fulfill the purposes of the CAA with regard to timely issuance of permits. Such schedule shall provide that an application shall be due no more than twelve (12) months after U.S. EPA approval of the Part 70 program. The department shall provide at least twelve (12) months' notice to any source for which an application is due prior to the date established in clause (A).

(D) For purposes of a Part 70 permit renewal, a timely application is one that is submitted at least nine (9) months prior to the date of expiration of the source's existing permit. If the commissioner fails to issue or deny the permit renewal prior to the expiration date of the source's existing permit, the existing permit shall not expire and all terms and conditions shall continue in effect, including any permit shield provided under section 15 of this rule, until the renewal permit has been issued or denied.

(2) In order for an application to be deemed complete, it must contain the following information:

(A) Substantive information required by each subdivision under subsection (c). Applications for a Part 70 permit revision must supply substantive information required by each subdivision under subsection (c) only as it relates to the proposed change.

(B) Certification by a responsible official that the submitted information is consistent with subsection (f).

(C) Unless, within sixty (60) days of receipt of an application, the commissioner determines, in accordance with section 8(c) of this rule, that an application is not complete, such application shall be deemed to be complete.

(D) If, while processing an application that has been determined or deemed to be complete, the commissioner determines that additional information is necessary to evaluate or take final action on that application, the commissioner may request such information in writing and set a reasonable deadline for a response.

(E) The source's ability to operate without a permit, as set forth in section 3 of this rule, shall be in effect from the date the application is determined or deemed to be complete until a final Part 70 permit is issued, provided that the applicant submits any requested additional information by the deadline specified by the commissioner.

(3) In the case where a source has submitted confidential information to the commissioner under a claim of confidentiality under 326 IAC 17, the commissioner may also require the source to submit a copy of such information directly to the U.S. EPA.

(b) Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a Part 70 permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. In addition, an applicant shall provide additional information as necessary to address any requirements that become applicable to the source after the date the applicant filed a complete application but prior to release of a draft Part 70 permit.

(c) An application for a Part 70 permit shall be submitted on the application form or forms prescribed by the commissioner, or in other application formats authorized by the commissioner, and shall include the information specified in this subsection. Such information shall be included in the application for all emissions units at a Part 70 source. The forms and attachments shall include the following information to the extent necessary to determine applicable requirements, including the requirement to pay fees, compliance with applicable requirements and this rule, and compliance during the term of the permit:

(1) Identifying information, including the following:

(A) Company name and address (or plant name and address if different from the company name).

(B) Owner's name and agent.

(C) Telephone numbers and names of plant site manager or site contact.

(2) A description of the source's processes and products (by Standard Industrial Classification Code), including any associated with each alternate scenario identified by the source.

(3) The following emissions related information:

(A) All emissions of pollutants for which the source is major, and all emissions of regulated air pollutants. A Part 70 permit application shall describe all emissions of regulated air pollutants emitted from any emissions unit, except where such units are exempted under this subsection. The applicant shall provide such additional information related to the emissions of air pollutants as is sufficient to verify which requirements are applicable to the source and other information necessary to collect any Part 70 permit fees owed under the fee schedule approved under section 19 of this rule.

(B) Identification and description of all points of emissions described in clause (A) in sufficient detail to establish the basis for fees and applicability of requirements of the CAA.

(C) Emissions rates of all pollutants described in clause (A) in tons per year (tpy) and in such terms as are necessary to establish compliance consistent with the applicable standard reference test method.

(D) The following information to the extent it is needed to determine or regulate emissions:

(i) Fuels, including types and characteristics.

(ii) Fuel use, including types and quantities combusted.

- (iii) Raw materials.
- (iv) Production and process rates.
- (v) Operating schedules.
- (E) Identification and description of air pollution control equipment and compliance monitoring devices or activities.
- (F) Limitations on source operation affecting emissions or any work practice standards, where applicable, for all regulated pollutants at a Part 70 source.
- (G) Other information required by any applicable requirement, including information related to stack height limitations developed under Section 123 of the CAA.
- (H) Calculations, examples of calculations, or descriptions of calculation methods or basis on which the information in this subsection are based.
- (4) The following air pollution control requirements:
 - (A) Citation and description of all applicable requirements.
 - (B) Description of or reference to any applicable test method for determining compliance with each applicable requirement.
 - (C) Where an applicant is proposing alternative or streamlined limitations or requirements, or both, the applicant shall provide the required documentation in accordance with section 24 or 25 of this rule, 326 IAC 8-1-5, or 326 IAC 10-1-3(3)(A).
- (5) Other specific information that may be necessary to implement and enforce other applicable requirements of the CAA or of this rule or to determine the applicability of such requirements.
- (6) An explanation of any proposed exemptions from otherwise applicable requirements, including any required documentation in accordance with section 24 or 25 of this rule, 326 IAC 8-1-5, or 326 IAC 10-1-3(3)(A).
- (7) At the option of the applicant, a request that alternative operating scenarios be provided for in its Part 70 permit. Such a request shall include a description of the alternate operating scenarios that are proposed and any additional information determined to be necessary by the commissioner to define appropriate permit terms and conditions for such alternative scenarios under sections 5(9) and 20(d) of this rule.
- (8) At the option of the applicant, a request that the permit provide terms and conditions allowing for the trading of emissions increases and decreases in the applicant's facility under sections 5(10) and 20(c) of this rule. In addition to such other information as may be requested by the commissioner as necessary to define such permit terms and conditions, the applicant shall include proposed replicable procedures and permit terms that ensure that emission trades conducted under such provisions are quantifiable and enforceable.
- (9) At the option of the applicant, a request that the permit provide terms and conditions allowing for the trading of emissions increases and decreases at the applicant's source under sections 5(11) and 20(e) of this rule. In addition to such other information as may be requested by the commissioner as necessary to define**

such permit terms and conditions, the applicant shall include the following information:

- (A) Identification, description, and location of the emission units or processes that will be included under and comply with an emissions cap.
- (B) Identification of any emission limitations or standards or other requirements applicable to the pollutants, emission units, or processes to be included under an emissions cap.
- (C) A description of the emissions cap program or programs to be established at the sources. The emissions cap may include any one (1) or more pollutants and may be based on one (1) of the following:
 - (i) Source-wide actual emissions, not to exceed allowable emissions, including a reasonable operating margin that is less than the significant emissions rate as defined under 326 IAC 2-2-1. Actual emissions shall be calculated using the actual emissions for any twelve (12) consecutive months during the one hundred twenty (120) months preceding the request for an emissions cap.
 - (ii) The prevention of significant deterioration (PSD) permitted allowable emissions for sources that have received a source-wide PSD permit within the past five (5) years.
 - (iii) A source-wide permit limitation on the potential to emit of a pollutant less than the applicability thresholds of 326 IAC 2-2, 326 IAC 2-3, 326 IAC 2-4.1, or other applicable requirement.
- The emissions cap program may consist of multiple caps, except if the multiple caps would allow a violation of 326 IAC 2-2.
- (D) A description of any new applicable requirements, permit terms, or conditions that may apply.
- (E) A description of the compliance monitoring requirements to be implemented with the emissions cap program or programs.
- (F) Emissions information or other relevant information to be used for the basis of the emission cap or caps. establishment of an emission cap program or programs. The request for an emission cap program or programs shall include the information under 326 IAC 2-1.1-12(d).

(9) (10) Confirmation of the following:

- (A) That the source maintains on-site a preventive maintenance plan as described in 326 IAC 1-6-3.
- (B) That, upon request, the preventive maintenance plan will be forwarded to the department.

(10) (11) A compliance plan for all Part 70 sources that contains all of the following information:

- (A) A description of the compliance status of the source with respect to all applicable requirements or alternative or streamlined requirements proposed in accordance with section 24 or 25 of this rule to assure compliance with otherwise applicable

requirements that addresses the following:

- (i) For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.
- (ii) For applicable requirements that will become effective during the Part 70 permit term, a statement that the source will meet such requirements on a timely basis.
- (iii) For requirements for which the source is not in compliance at the time of a Part 70 permit issuance, a narrative description of how the source will achieve compliance with such requirements.
- (iv) For alternative or streamlined requirements proposed in accordance with section 24 or 25 of this rule to assure compliance with otherwise applicable requirements, a statement that the source will continue to comply with the alternative or streamlined requirements and a description of how the source will continue to comply. For the purposes of this item, the description of how compliance will be maintained may be satisfied by the information provided in accordance with section 24 or 25 of this rule.

(B) A compliance schedule as follows:

- (i) For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.
- (ii) For applicable requirements that will become effective during the Part 70 permit term, a statement that the source will meet such requirements on a timely basis. A statement that the source will meet, in a timely manner, applicable requirements that become effective during the Part 70 permit term shall satisfy this requirement unless a more detailed schedule is expressly required by the applicable requirement.
- (iii) A schedule of compliance for sources that are not in compliance with all applicable requirements at the time of a Part 70 permit issuance. Such a schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones leading to compliance with any applicable requirements for which the source will be in noncompliance at the time of Part 70 permit issuance. This compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the source is subject. Any such schedule of compliance shall be supplemental to, and shall not sanction noncompliance with, the applicable requirements on which it is based.

(C) A schedule for submission of certified progress reports no less frequently than every six (6) months for sources required to have a schedule of compliance to remedy a violation.

(D) The compliance plan content requirements specified in this section shall apply and be included in the acid rain portion of a compliance plan for an affected source, except as specifically superseded by regulations promulgated under Title IV of the

CAA with regard to the schedule and methods the source will use to achieve compliance with the acid rain emissions limitations.

~~(11)~~ **(12)** Requirements for compliance certification, including the following:

(A) A certification of compliance with all applicable requirements or alternative or streamlined requirements proposed in accordance with section 24 or 25 of this rule to assure compliance with otherwise applicable requirements by a responsible official consistent with subsection (f) and Section 114(a)(3) of the CAA.

(B) A statement of methods used for determining compliance, including a description of monitoring, record keeping, reporting requirements, and test methods.

(C) A schedule for submission of compliance certifications during the Part 70 permit term, to be submitted no less frequently than annually, or more frequently if specified by the underlying applicable requirement or by the commissioner.

(D) A statement indicating the source's compliance status with any applicable enhanced monitoring and compliance certification requirements of the CAA.

~~(12)~~ **(13)** The use of nationally standardized forms for acid rain portions of Part 70 permit applications and compliance plans as required by the acid rain program.

~~(13)~~ **(14)** Identification of terms, conditions, or requirements under this title that are state enforceable and not enforceable by U.S. EPA.

(d) An applicant may include in a permit application a description of the types of emergency situations that may arise at the source and the response actions the source proposes to take in such emergency situations.

(e) The following information need not be included in a permit application submitted under this rule:

(1) Information concerning insignificant activities as defined in section 1(21) of this rule. However, an applicant shall include a list of all insignificant activities in the application.

(2) Trivial activities as defined in section 1(40) of this rule.

(f) Any application form, report, or compliance certification submitted under this rule shall contain certification by a responsible official of truth, accuracy, and completeness. This certification and any other certification required under this section shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(g) An applicant wishing to obtain a compliance extension for requirements under Section 112(d) of the CAA shall follow the procedures under 40 CFR 63.70* that address application requirements. The commissioner shall forward any application information provided under 40 CFR 63.70* to the U.S. EPA for approval upon receipt of such information.

*Copies of the Code of Federal Regulations (CFR) referenced may be obtained from the

Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-4; filed May 25, 1994, 11:00 a.m.: 17 IR 2254; errata filed Jun 10, 1994, 5:00 p.m.: 17 IR 2358; filed May 31, 1996, 4:00 p.m.: 19 IR 2866; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2338*)

SECTION 20. 326 IAC 2-7-5 IS AMENDED AS FOLLOWS:

326 IAC 2-7-5 Permit content

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17; IC 13-22-12-14

Sec. 5. The following shall be included in each Part 70 permit issued under this rule:

(1) Emission limitations and standards, including those operational requirements and limitations that assure compliance with all applicable requirements and any additional requirement that is enforceable by the state at the time of a Part 70 permit issuance. The Part 70 permit shall include the following:

(A) The Part 70 permit shall specify and reference the origin of and authority for each term or condition and identify any difference in form as compared to the applicable requirement upon which the term or condition is based.

(B) Copies of relevant portions of the Part 70 permit application may be incorporated as attachments or exhibits only when referenced by specific permit conditions.

(C) Where an applicable requirement of the CAA is more stringent than an applicable requirement of regulations promulgated under Title IV of the CAA, both provisions shall be incorporated into the Part 70 permit and shall be described in the permit as enforceable by the commissioner and the U.S. EPA.

(D) If an applicable implementation plan allows a determination of an alternative emission limit for a Part 70 source, equivalent to that contained in the plan, to be made in the permit issuance, renewal, or significant modification process, and the commissioner elects to use such process, any Part 70 permit containing an alternative emission limit based on such an equivalency determination shall contain provisions to ensure that such emissions limit has been demonstrated to be quantifiable, accountable, enforceable, and based on replicable procedures.

(E) The permit shall provide that, in the event of any exceedance of a permit limitation or condition which occurs contemporaneously with an exceedance of an associated surrogate or operating parameter established to detect or assure compliance with that limit or condition, both arising out of the same act or occurrence, such multiple exceedances shall constitute a single potential violation of the permit.

(F) Emission limitations applicable to start-up, shutdown, and emergency bypasses shall be addressed on a case-by-case basis in the permit. Such limitations shall be designed so as to minimize the frequency of such events and to minimize the excess

emissions caused by these events, to the extent feasible, taking into consideration available technologies, safety, cost, and other relevant factors.

(G) The Part 70 permit shall specify for each term or condition, including terms and conditions set forth in this title, contained therein whether the term or condition is federally enforceable or state enforceable.

(H) The Part 70 permit shall specify the permit conditions for which the emergency provision of section 16 of this rule is available. The permit may specify emergency situations identified by the source in its application and response actions that, if taken by the source during the emergency, shall constitute reasonable steps to minimize emissions and correct the emergency.

(2) A fixed permit term of five (5) years in the case of affected sources and a term not to exceed five (5) years in the case of all other sources.

(3) Monitoring and related record keeping and reporting requirements which assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements or alternative requirements established in accordance with section 24 or 25 of this rule. At a minimum, the following shall be contained in each Part 70 permit:

(A) With respect to monitoring, each Part 70 permit shall contain the following:

(i) All emissions monitoring and analysis procedures or test methods required under the applicable requirements or alternative requirements established in accordance with section 24 or 25 of this rule, including any procedures and methods promulgated under Section 504(b) or 114(a)(3) of the CAA.

(ii) Where an applicable requirement does not require periodic testing or instrumental or noninstrumental monitoring (which may consist of record keeping designed to serve as monitoring), such periodic monitoring specifications sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the Part 70 permit as reported under clause (C). Such monitoring requirements shall assure use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement. Record keeping provisions may be sufficient to meet the requirements of this item.

(iii) As necessary, requirements concerning the use, maintenance, and, where appropriate, installation of monitoring equipment or methods.

(B) With respect to record keeping, the Part 70 permit shall incorporate all applicable record keeping requirements or alternative requirements established in accordance with section 24 or 25 of this rule, including, where applicable, the following:

(i) Records of required monitoring information that include the following:

(AA) The date, place, as defined in a Part 70 permit, and time of sampling or measurements.

(BB) The dates analyses were performed.

(CC) The company or entity that performed the analyses.

- (DD) The analytical techniques or methods used.
- (EE) The results of such analyses.
- (FF) The operating conditions as existing at the time of sampling or measurement.
- (ii) Retention of records of all required monitoring data and support information for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application. Support information includes the following:
 - (AA) All calibration and maintenance records.
 - (BB) All original strip chart recordings for continuous monitoring instrumentation.
 - (CC) Copies of all reports required by the Part 70 permit.
 - (DD) For the purposes of complying with this subdivision, the permittee shall retain the records on-site for three (3) years and shall make them available upon request for the two (2) years following.
- (C) With respect to reporting, a Part 70 permit shall incorporate all applicable reporting requirements or alternative requirements established in accordance with section 24 or 25 of this rule and require the following:
 - (i) Submittal of reports of any required monitoring at least every six (6) months. All instances of deviations from Part 70 permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official consistent with section 4(f) of this rule.
 - (ii) The reporting of deviations from Part 70 permit requirements, including those attributable to upset conditions as defined in a Part 70 permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Proper notice submittal under section 16 of this rule satisfies the reporting requirements of this item. Notwithstanding requirements in this section, the reporting of deviations required by an applicable requirement shall follow the schedule stated in the applicable requirement.
 - (iii) Submittal of an annual emission statement that meets the requirements of 326 IAC 2-6, or other equivalent information.
- (4) A Part 70 permit condition prohibiting emissions exceeding any allowances that the source lawfully holds under Title IV of the CAA subject to the following limitations:
 - (A) No Part 70 permit revision shall be required for increases in emissions that are authorized by allowances acquired under the Title IV acid rain program, provided that such increases do not require a Part 70 permit revision under any other applicable requirement.
 - (B) No limit shall be placed on the number of allowances held by the source. The source may not, however, use allowances as a defense to noncompliance with any other applicable requirement.
 - (C) Any such allowance shall be accounted for according to the procedures established in regulations promulgated under Title IV of the CAA.

- (5) A severability clause to ensure the continued validity of the various Part 70 permit requirements in the event that a portion of the Part 70 permit is determined to be invalid.
- (6) Provisions stating the following:
- (A) The permittee must comply with all conditions of the Part 70 permit. Any Part 70 permit noncompliance constitutes a violation of the CAA and is grounds for:
 - (i) enforcement action;
 - (ii) Part 70 permit termination, revocation and reissuance, or modification; or
 - (iii) denial of a Part 70 permit renewal application.
 - (B) It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of a Part 70 permit.
 - (C) The Part 70 permit may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the permittee for a Part 70 permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any Part 70 permit condition.
 - (D) The Part 70 permit does not convey any property rights of any sort or any exclusive privilege.
 - (E) The permittee shall furnish to the commissioner, within a reasonable time, any information that the commissioner may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the Part 70 permit or to determine compliance with the Part 70 permit. Upon request, the permittee shall also furnish to the commissioner copies of records required to be kept by a Part 70 permit or, for information claimed to be confidential, the permittee may furnish such records directly to the U.S. EPA along with a claim of confidentiality.
- (7) A provision to ensure that a Part 70 source pays fees to the commissioner consistent with the fee schedule approved under section 19 of this rule, or in accordance with a fee schedule established under IC 13-22-12-14. A fee schedule established under IC 13-22-12-14 shall include the determination that a single payment of the entire fee is an undue hardship on the person and that the department is not required to assess installments separately.
- (8) A provision stating that no Part 70 permit revision shall be required under any approved economic incentives, marketable Part 70 permits, emissions trading, and other similar programs or processes for changes that are provided for in a Part 70 permit.
- (9) Terms and conditions which allow for changes by the permitted source among reasonably anticipated operating scenarios that are identified by the source in its application as approved by the commissioner. Such terms and conditions shall:
- (A) require the source, contemporaneously with making a change from one (1) operating scenario to another, to make a record in a log at the permitted facility of the scenario under which it is operating;
 - (B) require the source to comply with all applicable requirements and the

- requirements of this rule for each such alternative operating scenario; and
(C) include a summary of the records required under clause (A) to be included in the annual compliance certification submitted under section 6(5) of this rule.
- (10) Terms and conditions, if a Part 70 permit applicant requests them, for the trading of emissions increases and decreases in the permitted facility, to the extent that the applicable requirements provide for trading such increases and decreases without a case-by-case approval of each emissions trade. Such terms and conditions shall:
- (A) include all terms required under subdivision (3) and section 6 of this rule to determine compliance; and
 - (B) require the permittee to meet all applicable requirements and requirements of this rule.
- (11) Terms and conditions, if requested by the permit applicant, which allow for ~~the trading of emissions increases and decreases in~~ **changes at** the permitted source, ~~solely for the purpose of complying~~ **that comply** with a federally enforceable emissions cap established in accordance with **326 IAC 2-1.1-12 and** section 20(e) of this rule. Such terms and conditions shall:
- (A) include all terms required under subdivision (3) and section 6 of this rule to determine compliance **with the emission cap limit, all associated applicable requirements**, and all terms required under section 20(a) and 20(e) of this rule;
 - (B) include a federally enforceable emissions cap, which may be independent of otherwise applicable requirements, with which the source must comply ~~in the course of trading emissions increases and decreases at the source~~; and
 - (C) **be consistent with any specific emissions limits or restrictions otherwise required in the permit by any applicable requirements and** require the permittee to meet all applicable requirements and all requirements of this rule;
 - (D) **allow construction of new emission units or reconstruction or modification to existing emission units or processes that would otherwise require an operating permit revision or an approval under section 10.5 of this rule, provided the actual emissions from the emission units or processes specified under an emissions cap or to be included under the emissions cap do not exceed the emissions limitation for the cap;**
 - (E) **allow for emissions trading solely for the purposes of complying with the emissions cap, provided the emissions cap request contains adequate terms and conditions, including all terms required under sections 5(3) and 6 of this rule to determine compliance with the cap and with any emissions trading provisions;**
 - (F) **contain replicable procedures and permit terms that ensure the emissions cap is enforceable and trades pursuant to the cap are quantifiable and enforceable;**
 - (G) **be established in accordance with the procedures pursuant to sections 8, 17, and 18 of this rule; and**
 - (H) **require the owner or operator to provide notice for those changes that**

would have otherwise required a minor or significant operating permit revision or an approval under section 10.5 of this rule in accordance with section 20(e) of this rule.

- (12) Each Part 70 permit for a source at which a regulated substance is present in more than a threshold quantity and that is subject to 40 CFR 68*:
- (A) shall identify 40 CFR 68* as an applicable requirement;
 - (B) shall include conditions that require the source owner or operator to submit:
 - (i) a compliance schedule for meeting the requirements of 40 CFR 68* by the date provided in 40 CFR 68.10(a)*; or
 - (ii) as a part of the compliance certification submitted under section 6(5) of this rule, a certification statement that the source is in compliance with all requirements of 40 CFR 68*, including the registration and submission of a risk management plan (RMP); and
 - (C) shall require the source to verify to the commissioner that a RMP or a revised plan was prepared and submitted as required by 40 CFR 68*.
- (13) A provision that requires the source to do all of the following:
- (A) Maintain on-site the preventive maintenance plan required under section 4(c)(9) of this rule.
 - (B) Implement the preventive maintenance plan.
 - (C) Forward to the department upon request the preventive maintenance plan.
- (14) Except as otherwise provided in section 15 or 20 of this rule, a provision providing the Part 70 permit shield described in section 15 of this rule.
- (15) Descriptive information.
- (16) Terms and conditions, if requested by the permit applicant, that, notwithstanding the modification approval requirements under section 10.5 of this rule or the permit modification or revision requirements under section 12 of this rule, allow the source to make modifications without review, provided the operating permit includes terms and conditions that prescribe emissions limitations and standards applicable to specifically identified modifications or types of modifications which may occur during the term of the permit. Such permit conditions shall include the following:**
- (A) Emission limitations and standards necessary to assure compliance with the permit terms and conditions and all applicable requirements.**
 - (B) Monitoring, testing, reporting, and record keeping requirements that are necessary to assure all reasonable information is provided to evaluate continuous compliance with the permit terms and conditions, the underlying requirements of this title, and the CAA.**

*Copies of the Code of Federal Regulations (CFR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100

North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-5; filed May 25, 1994, 11:00 a.m.: 17 IR 2257; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2341*)

SECTION 21. 326 IAC 2-7-8 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-8 Permit issuance, renewal, and revisions

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17; IC 13-22-12-14

Sec. 8. (a) A Part 70 permit, Part 70 permit modification, or renewal may be issued only if all of the following conditions have been met:

(1) The commissioner has received a complete application for a Part 70 permit, permit modification, or Part 70 permit renewal, except that a complete application need not be received before issuance of a general Part 70 permit under section 13 of this rule.

(2) Except for administrative amendments under section 11 of this rule, the commissioner has complied with the requirements for public notice under section 17 of this rule.

(3) The commissioner has complied with the requirements of section 17 of this rule for notifying and responding to affected states.

(4) The conditions of a Part 70 permit provide for compliance with all applicable requirements and the requirements of this rule.

(5) The U.S. EPA has received a copy of the proposed Part 70 permit and any notices required and has not objected to issuance of the Part 70 permit within the time period specified in section 18(b), 18(c), or 18(d) of this rule.

(b) Except as provided under the initial transition plan provided for under 40 CFR 70.4(b)(11)* or under regulations promulgated under Title IV or Title V of the CAA for the permitting of affected sources under the acid rain program, the commissioner shall take final action on each Part 70 permit application (including a request for Part 70 permit modification or renewal) within eighteen (18) months or such lesser time approved by the U.S. EPA, after receiving a complete application.

(c) The commissioner shall promptly provide notice to the applicant of whether the application is complete. Unless the commissioner requests additional substantive information or otherwise notifies the applicant of incompleteness within sixty (60) days of receipt of an application, the application shall be deemed complete. For modifications processed through minor Part 70 permit modification procedures, such as those in section 12(b) and 12(c) of this rule, the commissioner is not required to make a completeness determination.

(d) The commissioner shall provide a technical support document that sets forth the legal and factual basis for a draft Part 70 permit conditions (including references to the applicable

statutory or regulatory provisions). The commissioner shall send this technical support document to the U.S. EPA, to the applicant, and to any other person who requests it.

(e) If the commissioner fails to act in a timely way on a Part 70 permit renewal, the U.S. EPA may invoke its authority under Section 505(e) of the CAA to terminate or revoke and reissue a Part 70 permit.

(f) The submittal of a complete application shall not affect the requirement that any source have a preconstruction permit under ~~326 IAC 2-1~~ **326 IAC 2-2** through 326 IAC 2-3 **or a preconstruction approval under 326 IAC 2-5.1, 326 IAC 2-6.1, or section 10.5 of this rule.**

*Copies of the Code of Federal Regulations (CFR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-8; filed May 25, 1994, 11:00 a.m.: 17 IR 2260; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2344*)

SECTION 22. 326 IAC 2-7-9 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-9 Permit reopening

Authority: IC 13-1-1-4; IC 13-7-10

Affected: IC 13-7

Sec. 9. (a) A permit shall be reopened and revised under any of the following circumstances:

(1) Additional applicable requirements under the CAA become applicable to a major Part 70 source with a remaining Part 70 permit term of three (3) or more years. Such a permit reopening and revision shall be completed not later than eighteen (18) months after promulgation of the applicable requirement. No such reopening and revision is required if the effective date of the new applicable requirement is later than the date on which a Part 70 permit is due to expire, unless the existing Part 70 permit or any of its terms or conditions has been extended under section 4(a)(2)(E) of this rule.

(2) Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the U.S. EPA, excess emissions offset plans shall be deemed to be incorporated into a Part 70 permit.

(3) The commissioner or the U.S. EPA determines any of the following:

(A) That a Part 70 permit contains a material mistake.

(B) That inaccurate statements were made in establishing the emissions standards or other terms or conditions of a Part 70 permit.

(C) That a Part 70 permit must be revised or revoked to assure compliance with an applicable requirement.

(4) If the U.S. EPA fails to promulgate a standard for a pollutant listed under Section 112(b) of the CAA according to the schedule required in Section 112(e) of the CAA, the commissioner shall make the emission limitations determination for each affected category or subcategory of a major source on a case-by-case basis. Emission limitations established on a case-by-case basis shall be no less stringent than the standards established in 326 IAC 2-1-3.3(c) and 326 IAC 2-1-3.3(d). **326 IAC 2-4.1.**

(b) Proceedings by the commissioner to reopen and revise a Part 70 permit shall follow the same procedures as apply to initial Part 70 permit issuance and shall affect only those parts of the Part 70 permit for which cause to reopen exists. Such reopening and revision shall be made as expeditiously as practicable.

(c) The reopening and revision of a permit under subsection (a) shall not be initiated before a notice of such intent is provided to a Part 70 source by the commissioner at least thirty (30) days in advance of the date that the permit is to be reopened, except that the commissioner may provide a shorter time period in the case of an emergency.

(d) If the U.S. EPA finds cause exists to terminate, modify, or revoke and reissue a Part 70 permit, the U.S. EPA will provide written notification to the commissioner and the permittee. Such notification shall initiate the following actions:

(1) The commissioner shall, within ninety (90) days after receipt of such notification, forward to the U.S. EPA a proposed determination of termination, modification, or revocation and reissuance, as appropriate. The U.S. EPA may extend this ninety (90) day period for an additional ninety (90) days if it is found that a new or revised Part 70 permit application is necessary or that the commissioner must require the permittee to submit additional information.

(2) The U.S. EPA will review the proposed determination from the commissioner within ninety (90) days of receipt.

(3) The commissioner shall have ninety (90) days from receipt of the U.S. EPA objection to resolve any objection that the U.S. EPA makes and to terminate, modify, or revoke and reissue a Part 70 permit in accordance with the U.S. EPA's objection.

(4) If the commissioner fails to submit a proposed determination under subdivision (1) or fails to resolve any objection under subdivision (3), the U.S. EPA will terminate, modify, or revoke and reissue the Part 70 permit after taking the following actions:

(A) Providing at least a thirty (30) day notice to the permittee in writing of the reasons for any such action. This notice may be given during the procedures in this subsection.

(B) Providing the permittee an opportunity for comment on the U.S. EPA's proposed action and an opportunity for a hearing.

(Air Pollution Control Board; 326 IAC 2-7-9; filed May 25, 1994, 11:00 a.m.: 17 IR 2261)

SECTION 23. 326 IAC 2-7-10.5 IS ADDED TO READ AS FOLLOWS:

326 IAC 2-7-10.5 Part 70 permits; source modifications

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 10.5. (a) An owner or operator of a Part 70 source proposing to construct new emission units, modify existing emission units, or otherwise modify the source as described in this section shall submit a request for a modification approval in accordance with this section.

(b) Notwithstanding any other provision of this rule, the owner or operator of a source may repair or replace an emissions unit or air pollution control equipment or components thereof that would require a permit or operating permit revision under a provision of this rule prior to receiving the permit or operating permit revision if:

(1) the repair or replacement results in a potential to emit for each regulated pollutant that is less than or equal to the potential to emit of the equipment or the

affected emissions unit that was repaired or replaced;

(2) the repair or replacement is not a major modification under 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1;

(3) the repair or replacement:

(A) returns the emissions unit, process, or control equipment to normal operation after an upset, malfunction, mechanical failure; or

(B) prevents impending and imminent failure of the emissions unit, process, or control equipment; and

(4) the owner or operator of the source submits an application for a permit or permit revision to the commissioner no later than thirty (30) calendar days after initiating the repair or replacement.

(b) (c) Any person proposing to make a modification described in subsections (c) or (e) (d) or (g) shall submit an application to the commissioner concerning the modification consistent with section 4(c) of this rule that includes the following information as follows:

(1) A description of the modification and the emissions resulting from the modification. If only preconstruction approval is requested, the application shall contain the following information:

(A) The company name and address.

(B) The following descriptive information:

(i) A description of the nature and location of the proposed construction or modification.

(ii) The design capacity and typical operating schedule of the proposed construction or modification.

(iii) A description of the source and the emissions unit or units comprising the source.

(iv) A description of any emission control equipment, including design specifications.

(C) A schedule for construction or modification of the source.

(D) The following information as needed to assure all reasonable information is provided to evaluate compliance consistent with the permit terms and conditions, the underlying requirements of this title and the Clean Air Act (CAA), the ambient air quality standards set forth in 326 IAC 1-3, or the prevention of significant deterioration maximum allowable increase under 326 IAC 2-2.

(i) Information on the nature and amount of the pollutant to be emitted, including an estimate of the potential to emit of any regulated air pollutants.

(ii) Estimates of offset credits, as required under 326 IAC 2-3, for sources to be constructed in nonattainment areas.

(iii) Any other information (including, but not limited to, the air quality impact) determined by the commissioner to be necessary to reasonably

demonstrate compliance with the requirements of this title and the requirements of the CAA, whichever are applicable.

(E) Each application shall be signed by an authorized individual, unless otherwise noted, whose signature constitutes an acknowledgement that the applicant assumes the responsibility of assuring that the source, emissions unit or units, or emission control equipment will be constructed and will operate in compliance with all applicable Indiana air pollution control rules and the requirements of the CAA. Such signature shall constitute affirmation that the statements in the application are true and complete, as known at the time of completion of the application, and shall subject the applicant to liability under state laws forbidding false or misleading statements.

(2) If the source requests that the preconstruction approval and operating permit revision be combined, the application shall contain the information in subdivision (1) and the following information consistent with subsection 4(c) of this rule:

(A) An identification of the applicable requirements to which the source will be subject as a result of the modification, including the applicable emission limits and standards, applicable monitoring and test methods, and applicable record keeping and reporting requirements.

(3) (B) A description of the Part 70 permit terms and conditions that will apply to the modification and that are consistent with sections 5 and 6 of this rule.

(4) (C) A schedule of compliance, if applicable.

(5) (D) A statement describing what the compliance status of the modification will be after construction has been completed consistent with section 4(c)(10) of this rule.

(6) (E) A certification consistent with section 4(f) of this rule.

(d) This subsection applies to Part 70 sources with a complete application on file with the department and that have not received a final Part 70 permit. Modifications described under subdivision (1) shall be processed in accordance with subdivision (2).

(1) The following modifications shall not require prior approval and shall not be subject to the notice requirements under section 17 of this rule or the review requirements under section 18 of this rule:

(A) Changes correcting typographical errors.

(B) Minor administrative changes such as a change in the name, address, or telephone number of any person identified in a permit or a change in descriptive information concerning the source or emissions unit or units.

(C) Changes in ownership or operational control of a source.

(D) Modifications that would require more frequent monitoring or reporting.

(E) Incorporation of newly applicable requirements as a result of a change in applicability.

(F) Incorporates alternative testing or compliance monitoring requirements that have received U.S. EPA approval under 40 CFR 60, 40 CFR 61, or 40 CFR 63*.

(G) Incorporates newly-applicable monitoring or testing requirements specified in 40 CFR 60, 40 CFR 61, or 40 CFR 63* that apply as the result of a change in applicability of those requirements to the source, including removal from the permit of monitoring or testing requirements that no longer apply as a result of the change in applicability.

(H) Incorporates test methods or monitoring requirements specified in an applicable requirement that the source may use under the applicable requirement as an alternative to the testing or monitoring requirements contained in the permit.

(2) The following shall apply to the application for and issuance of a modification under this subsection

(A) Any person proposing to make a change or modification described in subsection (d) shall submit a notification concerning the change or modification within thirty (30) calendar days of making the change or modification and shall include the information under subsection (c) by the one (1) of the following means:

(i) Certified mail.

(ii) Delivery by hand or express service.

(iii) Transmission by other equally reliable means of notification by the source to the commissioner..

(B) The commissioner shall take final action on the modification request, within thirty (30) days of receipt of the notification. The commissioner shall provide the permittee with a copy of the modification approval and shall incorporate the modification into the Part 70 permit application. Notwithstanding IC 13-15-5, the modification approval shall be effective immediately.

(d) (e) The following modifications shall be processed in accordance with subsection (d) (f).

(1) Modifications that would reduce the frequency of any monitoring or reporting required by a permit condition or applicable requirement.

(2) The addition of a portable source as defined in 326 IAC 2-14.

(3) Modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not increase the potential to emit of any regulated pollutant greater than the thresholds under subdivision (4), but requires a significant change in the method or methods to demonstrate or monitor compliance.

(4) Modifications that would have a potential to emit within any of the following ranges:

(A) Less than twenty-five (25) tons per year and equal to or greater than five (5)

tons per year of either particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).

(B) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of the following pollutants:

- (i) Sulfur dioxide (SO₂).
- (ii) Nitrogen oxides (NO_x).
- (iii) Volatile organic compounds (VOC) for modifications that are not subject to 326 IAC 8.

(C) Less than twenty-five (25) tons per year and equal to or greater than fifteen (15) pounds per day of volatile organic compounds (VOC) for modifications that are subject to 326 IAC 8.

(D) Less than one hundred (100) tons per year and equal to or greater than twenty-five (25) tons per year of carbon monoxide (CO).

(E) Less than five (5) tons per year and equal to or greater than two-tenths (0.2) ton per year of lead (Pb).

(F) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of the following regulated air pollutants:

- (i) Hydrogen sulfide (H₂S).
- (ii) Total reduced sulfur (TRS).
- (iii) Reduced sulfur compounds.
- (iv) Fluorides.

(5) Modifications for which the potential to emit is limited to less than twenty-five (25) tons per year of any regulated pollutant other than hazardous air pollutants, ten (10) tons per year of any single hazardous air pollutant as defined under Section 112(b) of the CAA, or twenty-five (25) tons per year of any combination of hazardous air pollutants by complying with one (1) of the following constraints:

(A) Limiting total annual solvent usage or maximum volatile organic compound content, or both.

(B) Limiting annual hours of operation of the process or business.

(C) Using a particulate air pollution control device as follows:

- (i) Achieving and maintaining ninety-nine percent (99%) efficiency.
- (ii) Complying with a no visible emission standard.
- (iii) The potential to emit before controls does not exceed major source thresholds for federal permitting programs.
- (iv) Certifying to the commissioner that the control device supplier guarantees that a specific outlet concentration, in conjunction with design air flow, will result in actual emissions less than twenty-five (25) tons of particulate matter (PM) or fifteen (15) tons per year of particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).

- (D) Limiting individual fuel usage and fuel type for a combustion source.
(E) Limiting raw material throughput or sulfur content of raw materials, or both.
- (6) A modification that is subject to a reasonably available control technology (RACT), a new source performance standard (NSPS), or a national emission standard for hazardous air pollutants (NESHAP) and the RACT, NSPS, or NESHAP is the most stringent applicable requirement, except for those modifications that would be subject to the provisions of 40 CFR 63, Subpart B (61 FR 68384) December 27, 1996, Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*. As part of the application required under subsection (b), the applicant shall acknowledge the requirement to comply with the RACT, NSPS, or NESHAP.
- (7) A change for which a source requests an emission limit to avoid 326 IAC 8-1-6.
- (8) A modification of an existing source if the modification will replace or repair a part or piece of equipment in an existing process unless the modification:
- (i) results in the replacement or repair of an entire process;
 - (ii) qualifies as a reconstruction of an entire process; or
 - (iii) may result in an increase of actual emissions.
- (9) A modification that adds an emissions unit or units of the same type that are already permitted and that will comply with the same applicable requirements and permit terms and conditions as the existing emission unit or units, except if the modification would result in a potential to emit greater than the thresholds in 326 IAC 2-2 or 2-3.
- ~~(d)~~ (f) Modification approval procedures for modifications described under subsection ~~(c)~~ (e) are as follows:
- (1) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the modification until the commissioner has approved the modification request.
- (2) Within forty-five (45) calendar days from receipt of an application for a modification described under subsection ~~(c)~~ (e), the commissioner shall do one (1) of the following:
- (A) Approve the modification request.
 - (B) Deny the modification request.
 - (C) Determine that the minor permit revision request would impact air quality, would allow for a significant increase in emissions, or would not provide for the determination or monitoring of compliance monitoring consistent with this rule and should be processed under subsection (h).
- (3) The source may begin construction as follows:
- (A) If the source only requests preconstruction approval or the source does not have a final Part 70 permit, the source may begin construction upon approval

by the commissioner. Notwithstanding IC 13-15-5, the commissioner's approval shall become effective immediately. Operation of the modification shall be as follows:

(i) For a source that has a final Part 70 permit, operation of the modification shall not commence until the operating permit has been revised in accordance with section 12 of this rule.

(ii) For a source without a final Part 70 permit, operation may begin after construction is completed subject to the notification requirements of subsection (i).

(B) If the source requests that the preconstruction approval and operating permit revision be combined, the source may not begin construction or operation until the requirements of subsection (h) and sections 11 or 12 of this rule have been satisfied.

(f) (g) The following modifications shall be processed in accordance with subsection **(f) (h)**:

(1) Any modification that would be subject to 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1.

(2) Any modification that results in the source needing to obtain a FESOP under 326 IAC 2-8 or a Part 70 permit under this rule.

(3) (2) A modification that is subject to 326 IAC 8-1-6.

(4) (3) For a source in Lake or Porter County with the potential to emit twenty-five (25) tons per year of either VOC or NO_x, any modification that would result in an increase of either emissions as follows:

(A) Greater than or equal to fifteen (15) pounds per day of VOCs.

(B) Greater than or equal to twenty-five (25) pounds per day of NO_x.

(5) (4) Any modification with a potential to emit of lead greater than or equal to one (1) ton per year.

(6) (5) Any modification with a potential to emit greater than or equal to twenty-five (25) tons per year of any of the following pollutants:

(A) Particulate matter (PM) or particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).

(B) Sulfur dioxide (SO₂).

(C) Nitrogen oxides (NO_x).

(D) Volatile organic compounds (VOC).

(E) Hydrogen sulfide (H₂S).

(F) Total reduced sulfur (TRS).

(G) Reduced sulfur compounds.

(H) Fluorides.

(7) (6) For a source of lead with a potential to emit greater than or equal to five (5) tons per year, a modification that would increase the potential to emit

greater than or equal to six-tenths (0.6) ton per year.

~~(8)~~ (7) Any modification with a potential to emit greater than or equal to ten (10) tons per year of a single hazardous air pollutant as defined under Section 112(b) of the CAA or twenty-five (25) tons per year of any combination of hazardous air pollutants.

~~(9)~~ (8) Any modification with a potential to emit greater than or equal to one hundred (100) tons per year of carbon monoxide (CO).

~~(10)~~ (9) Modifications involving a pollution control project as defined in 326 IAC 2-1.1-1 that results in an increase in the potential to emit of any regulated pollutant greater than the thresholds under this section subdivisions (3) through (8) and requires a significant change in the method or methods to demonstrate or monitor compliance.

~~(11)~~ (10) Modifications involving a pollution prevention project as defined in 326 IAC 2-1.1-1 that increases the potential to emit of any regulated pollutant greater than the thresholds under this section subdivisions (3) through (8).

~~(f)~~ (h) The following shall apply to the modifications described in subsection ~~(e)~~ (g).

(1) Any person proposing to make a modification described in subsection ~~(e)~~ (g) shall submit an application concerning the modification and shall include the information under subsection ~~(b)~~ (c).

(2) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the modification until the commissioner has issued a modification approval.

(3) The commissioner shall provide for public notice and comment and U.S. EPA review in accordance with sections 17 and 18 of this rule.

~~(4)~~ The commissioner shall approve or deny the modification as follows:

(A) Within one hundred twenty (120) calendar days from receipt of an application for a modification in subsection ~~(e)~~ (g), except subsection ~~(e)~~(1) (g)(1);

(B) Within two hundred seventy (270) calendar days from receipt of an application for a modification under subsection ~~(e)~~(1) (g)(1).

~~(5)~~ (4) A modification approval under this subsection may be issued only if all of the following conditions have been met:

(A) The commissioner has received a complete application for a modification.

(B) The commissioner has complied with the requirements for public notice and for notifying and responding to affected states under subsections (j) through (k) as follows:

(i) For modifications for which a source is only requesting preconstruction approval, the commissioner has complied with the requirements under 326 IAC 2-1.1-6.

(ii) For modifications for which a source is requesting a combined

preconstruction approval and operating permit revision, the commissioner has complied with the requirements under section 17 of this rule.

(C) The conditions of the modification approval provide for compliance with all applicable requirements and the requirements of this rule.

(D) For modifications for which a source is requesting a combined preconstruction approval and operating permit revision, the U.S. EPA has received a copy of the proposed modification approval and any notices required and has not objected to the issuance of the modification approval within the time period specified in section 18 of this rule.

~~(6)~~ (5) The commissioner shall provide a technical support document that sets forth the legal and factual basis for draft modification approval conditions (including references to the applicable statutory and regulatory provisions). The commissioner shall send this technical support document to the U.S. EPA, the applicant, and to any other person who requests it.

(i) The following shall apply to a modification approval described in subsection (g) for a source that has not received a final Part 70 permit:

(1) After receiving an approval to construct and prior to receiving approval to operate, a source shall prepare an affidavit of construction as follows:

(A) The affidavit shall include the following:

(i) Name and title of the authorized individual.

(ii) Company name.

(iii) An affirmation that the emissions units described in the modification approval were constructed in conformance with the request for modification approval and that such emissions units will comply with the modification approval.

(iv) Identification of any changes to the emissions units described in the modification approval not included in the request for modification approval.

(v) Signature of the authorized individual.

(B) The affidavit shall be notarized.

(C) A source shall submit the affidavit to the commissioner after construction of either all the emission units described in the modification approval or after each phase of construction of the emission units described in the modification approval, as applicable, has been completed.

(2) A source may not operate any emissions units described in the modification approval prior to receiving a validation letter issued by the commissioner, except as provided in clause (A).

(A) A source may operate the emissions units covered by the affirmation in the affidavit of construction upon submission of the affidavit of construction.

(B) The commissioner shall issue a validation letter within five (5) working days of receipt of the affidavit of construction.

(C) The validation letter shall authorize the operation of all or part of each emissions unit covered by the affirmation in the affidavit of construction.

(D) Subject to clause (E), the validation letter shall include any amendments to the modification approval if such amendment is requested by the source and if such amendment does not constitute a modification and require public notice and comment under 326 IAC 2-1.1-6.

(E) A validation letter shall not approve the operation of any emissions unit if an amendment to the modification approval requested by the source would constitute a modification and require public notice and comment under 326 IAC 2-1.1-6.

~~(g) The permittee shall give the department notice of the anticipated date of initial startup of the modification not more than sixty (60) calendar days nor less than thirty (30) calendar days prior to such date and shall further notify the department of the actual date of startup within fifteen (15) calendar days of that date.~~

~~(h) (j) Each modification approval issued under this rule shall provide that construction must commence within eighteen (18) months of the issuance of the modification approval.~~

~~(i) (k) All modification approval proceedings under this section shall provide adequate procedures for public notice, including offering an opportunity for public comment and a hearing on the draft modification approval as established in 326 IAC 2-1.1-6 or section 17 of this rule, except the public notice under subsection (d) shall provide notice of the modification application.~~

~~(j) (l) The commissioner shall provide for review by the U.S. EPA and affected states of each modification application, draft modification approval, proposed modification approval, and final modification approval in accordance with the procedures established in section 18 of this rule for modifications that a source is requesting a combined preconstruction approval and operating permit revision.~~

~~(k) (m) A permit modification approval issued under in accordance with this section shall be incorporated into the source's Part 70 permit through an administrative amendment in accordance with section 11 of this rule. The Part 70 permit shall be deemed to be effective as of the date of the approval of the administrative amendment. For Part 70 sources that have not been issued a final Part 70 permit, the permit issued under this section shall be incorporated into the source's Part 70 permit application. or permit application as follows:~~

~~(1) For a source that has a final Part 70 permit and requested that the preconstruction approval and permit revision be combined, the modification~~

approval shall be incorporated into the Part 70 permit as an administrative amendment in accordance with section 11 of this rule.

(2) For a source that has a final Part 70 permit and requested only a preconstruction approval, the source shall apply for a Part 70 permit modification in accordance with section 12 of this rule prior to beginning operation of the modification.

(3) For a source that has a complete Part 70 permit application on file, but does not have a final Part 70 permit and requested only preconstruction approval, the modification approval shall be deemed incorporated in the Part 70 permit application and will be included in the Part 70 permit when issued.

(Air Pollution Control Board; 326 IAC 2-7-10.5)

SECTION 24. 326 IAC 2-7-11 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-11 Administrative permit amendments

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 11. (a) An administrative permit amendment is a Part 70 permit revision that does any of the following:

- (1) Corrects typographical errors.
- (2) Identifies a change in the name, address, or telephone number of any person identified in the Part 70 permit, or provides a similar minor administrative change at the source.
- (3) Requires more frequent monitoring or reporting by the permittee.
- (4) Allows for a change in ownership or operational control of a source where the commissioner determines that no other change in a Part 70 permit is necessary, provided that a written agreement containing a specific date for transfer of a Part 70 permit responsibility, coverage, and liability between the current and new permittee has been submitted to the commissioner.
- (5) Incorporates into a Part 70 permit the requirements from preconstruction permits issued under 326 IAC 2-1-3.2. **section 10.5 of this rule that have satisfied the requirements of sections 17 and 18 of this rule.**
- (6) Incorporates into a Part 70 permit a general permit issued under section 13 of this rule.
- (7) Makes a change to a monitoring, maintenance, or record keeping requirement established by this article that is not environmentally significant. Such change shall not be an administrative amendment if the monitoring, maintenance, or record keeping is required by an applicable requirement.
- (8) Revises descriptive information where the revision will not trigger a new applicable requirement or violate a permit term.
- (9) Incorporates alternative testing or compliance monitoring requirements that have received U.S. EPA approval under 40 CFR 60, 40 CFR 61, or 40 CFR 63*.**
- (10) Incorporates test methods or monitoring requirements specified in an applicable requirement that the source may use under the applicable requirement as an alternative to the testing or monitoring requirements contained in the permit.**

(b) Administrative Part 70 permit amendments, for purposes of the acid rain portion of a Part 70 permit, shall be governed by regulations promulgated under Title IV of the CAA.

(c) An administrative Part 70 permit amendment may be made by the commissioner consistent with the following:

- (1) The commissioner shall take no more than sixty (60) days from receipt of a request

for an administrative Part 70 permit amendment to take final action on such request and may incorporate such changes without providing prior notice to the public or affected states provided that it designates any such Part 70 permit revisions as having been made under this subsection.

(2) The commissioner shall submit a copy of a revised Part 70 permit to the U.S. EPA.

(3) The source may implement the changes addressed in the request for an administrative amendment immediately upon submittal of the request.

(Air Pollution Control Board; 326 IAC 2-7-11; filed May 25, 1994, 11:00 a.m.: 17 IR 2262; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2345)

SECTION 25. 326 IAC 2-7-12 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-12 Permit modification

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 12. (a) A Part 70 permit modification is any revision to a Part 70 permit that cannot be accomplished under the program's provisions for administrative permit amendments under section 11 of this rule. A permit modification, for purposes of the acid rain portion of the permit, shall be governed by regulations promulgated under Title IV of the CAA.

(b) Minor permit modification procedures shall be as follows:

(1) Minor permit modification procedures may be used only for those permit modifications that meet the following requirements:

(A) Do not violate any applicable requirement.

(B) Do not involve significant changes to existing monitoring, reporting, or record keeping requirements in the Part 70 permit.

(C) Do not require or change a:

(i) case-by-case determination of an emission limit or other standard;

(ii) source specific determination for temporary sources of ambient impacts; or

(iii) visibility or increment analysis.

(D) Do not seek to establish or change a Part 70 permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include the following:

(i) A federally enforceable emissions cap assumed to avoid classification as a modification under any provision of Title I of the CAA.

(ii) An alternative emissions limit approved under regulations promulgated under Section 112(i)(5) of the CAA.

(E) Are not modifications under any provision of Title I of the CAA.

(F) Are not required by the Part 70 program to be processed as a significant

modification.

- (2) Notwithstanding subdivision (1) and subsection (c)(1), minor Part 70 permit modification procedures may be used for Part 70 permit modifications involving the use of economic incentives, marketable Part 70 permits, emissions trading, and other similar approaches to the extent that such minor Part 70 permit modification procedures are explicitly provided for in the applicable implementation plan (SIP) or in applicable requirements promulgated or approved by the U.S. EPA.
- (3) An application requesting the use of minor Part 70 permit modification procedures shall meet the requirements of section 4(c) of this rule and shall include the following:
 - (A) A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs.
 - (B) The source's suggested draft Part 70 permit reflecting the requested change.
 - (C) Certification by a responsible official, consistent with section 4(f) of this rule, that the proposed modification meets the criteria for use of minor Part 70 permit modification procedures and a request that such procedures be used.
 - (D) Completed forms for the commissioner to use to notify the U.S. EPA and affected states.
 - (E) A copy of any previous approval issued by the commissioner under this article.
- (4) The public notice provisions of section 17 of this rule shall apply to minor modifications.
- (5) Within five (5) working days of receipt of a complete Part 70 permit modification application, the commissioner shall notify the U.S. EPA and affected states of the requested Part 70 permit modification. The commissioner promptly shall send any notice required to the U.S. EPA.
- (6) The commissioner may not issue a final Part 70 permit modification until after the U.S. EPA's forty-five (45) day review period or until U.S. EPA has notified the commissioner that U.S. EPA will not object to issuance of the Part 70 permit modification, whichever is first, although the commissioner may approve the Part 70 permit modification prior to that time. Within ninety (90) days of the commissioner's receipt of an application under the minor Part 70 permit modification procedures or fifteen (15) days after the end of the U.S. EPA's forty-five (45) day review period, whichever is later, the commissioner shall do any of the following:
 - (A) Issue the Part 70 permit modification as proposed.
 - (B) Deny the Part 70 permit modification application.
 - (C) Determine that the requested modification does not meet the minor Part 70 permit modification criteria and should be reviewed under the significant modification procedures.
 - (D) Revise the draft Part 70 permit modification and transmit to the U.S. EPA the new proposed Part 70 permit modification as required by section 18(b) of this rule.
- (7) The source may make the change proposed in its minor Part 70 permit modification application immediately after it files such application. After the source makes the change

allowed by this subdivision, and until the commissioner takes any of the actions specified in subdivision (6)(A) through (6)(C), the source must comply with both the applicable requirements governing the change and the proposed Part 70 permit terms and conditions. During this time period, the source need not comply with the existing Part 70 permit terms and conditions it seeks to modify. If the source fails to comply with its proposed Part 70 permit terms and conditions during this time period, the existing Part 70 permit terms and conditions it seeks to modify may be enforced against it.

(8) The Part 70 permit shield under section 15 of this rule is not applicable to minor Part 70 permit modifications until after the commissioner has issued the modification.

(c) Consistent with the following, the commissioner may modify the procedure outlined in subsection (b) to process groups of a source's applications for modifications eligible for minor Part 70 permit modification processing:

(1) Group processing of modifications may be used only for those Part 70 permit modifications that meet the following requirements:

(A) The modifications meet the criteria for minor Part 70 permit modification procedures under subsection (b).

(B) The modifications are exempt from preconstruction **or permit revision** approval under 326 IAC 2-1-1(b)(3). **326 IAC 2-1.1-3.**

(2) An application requesting the use of group processing procedures shall meet the requirements of section 4(c) of this rule and shall include the following:

(A) A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs.

(B) The source's suggested draft Part 70 permit which reflects the requested change.

(C) Certification by a responsible official, consistent with section 4(f) of this rule, that the proposed modification meets the criteria for use of group processing procedures and a request that such procedures be used.

(D) A list of the source's other pending applications awaiting group processing, and a determination of whether the requested modification, aggregated with these other applications, equals or exceeds the threshold set under subdivision (1)(B).

(E) Certification, consistent with section 4(f) of this rule, that the source has notified the U.S. EPA of the proposed modification. Such notification need only contain a brief description of the requested modification.

(F) Completed forms for the commissioner to use to notify the U.S. EPA and affected states as required under section 18 of this rule.

(3) The notice provisions of section 17 of this rule shall apply to modifications eligible for group processing.

(4) On a quarterly basis or within five (5) business days of receipt of an application demonstrating that the aggregate of a source's pending applications equals or exceeds the threshold level set under subdivision (1)(B), whichever is earlier, the commissioner promptly shall notify the U.S. EPA, under section 18(a) of this rule, and affected states,

under section 17(4) of this rule, of the requested Part 70 permit modifications. The commissioner shall send any notice required under section 18(b) of this rule to the U.S. EPA.

(5) The provisions of subsection (b)(6) shall apply to modifications eligible for group processing, except that the commissioner shall take one (1) of the actions specified in subsection (b)(6) within one hundred eighty (180) days of receipt of the application or fifteen (15) days after the end of the U.S. EPA's forty-five (45) day review period, whichever is later.

(6) The provisions of subsection (b)(7) shall apply to modifications eligible for group processing.

(7) The Part 70 permit shield under section 15 of this rule is not applicable to modifications eligible for group processing until after the commissioner has issued the modifications.

(d) Significant modification procedures shall be as follows:

(1) Significant modification procedures shall be used for applications requesting Part 70 permit modifications that do not qualify as minor permit modifications or as administrative amendments. Every significant change in existing monitoring Part 70 permit terms or conditions and every relaxation of reporting or record keeping permit terms or conditions shall be considered significant. Nothing in this subdivision shall be construed to preclude the permittee from making changes consistent with this rule that would render existing Part 70 permit compliance terms and conditions irrelevant.

(2) Significant Part 70 permit modifications shall meet all requirements of this rule, including those for application, public participation, review by affected states, and review by the U.S. EPA, and availability of the permit shield as they apply to Part 70 permit issuance and Part 70 permit renewal. The commissioner shall complete review of the majority of significant Part 70 permit modifications within nine (9) months after receipt of a complete application.

(Air Pollution Control Board; 326 IAC 2-7-12; filed May 25, 1994, 11:00 a.m.: 17 IR 2262; errata filed Jun 10, 1994, 5:00 p.m.: 17 IR 2358; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2345)

SECTION 26. 326 IAC 2-7-19 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-19 Fees

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11; IC 13-17-8

Affected: IC 4-21.5; IC 13-15; IC 13-17; IC 13-22-12-14

Sec. 19. (a) Owners or operators of Part 70 sources are required to pay annual fees as established by this rule. However, the commissioner shall reduce the fee established by this rule

by the following:

- (1) Fifty percent (50%) for fees assessed in calendar year 1994.
- (2) Twenty-five percent (25%) for fees assessed in calendar year 1995. Prior to issuance of a Part 70 permit or a FESOP permit, the source is subject to the fees established in this rule unless notification is provided under 326 IAC 2-8-16(d).

(b) A source shall pay the annual fee within thirty (30) calendar days of receipt of a billing by the department. The department shall bill each source no later than July 31, 1994, and no later than February 1 in subsequent years. A source which begins operation for the first time in a given year shall be billed on a prorated basis by determining the number of complete months remaining in the calendar year and dividing by twelve (12) to determine the percent of the annual fee due to the department. If a source subject to this rule or 326 IAC 2-8 does not receive a bill from the department, the applicable fee must be submitted to the department prior to September 1 in 1994, and April 1 of any subsequent year. If an annual fee is being paid under a fee schedule established under IC 13-22-12-14, the fee shall be paid in accordance with that schedule. Establishment of a fee payment schedule must be consistent with the provisions of IC 13-22-12-14, including the determination that a single payment of the entire fee is an undue hardship on the person and that the department is not required to assess installments separately.

(c) Each Part 70 source shall pay a base fee of one thousand five hundred dollars (\$1,500) and shall pay an additional fee of thirty-three dollars (\$33) per ton for each ton of regulated air pollutant emitted, provided that no source shall pay more than one hundred fifty thousand dollars (\$150,000) or, if a source emits more than one hundred (100) tons per year of NO_x and more than one hundred (100) tons per year of VOC and is located in an area designated as serious or severe nonattainment for ozone in accordance with the CAA, the source shall pay no more than two hundred thousand dollars (\$200,000). During the years of 1994 through 1999 inclusive, any affected unit under Section 404 of the CAA shall be exempted from the fees established under this section. Municipal solid waste incinerators subject to ~~326 IAC 2-1-7.1(a)(5)(H)~~ **326 IAC 2-1.1-7(5)(E)** shall be exempt from the fees established under this section. The annual emission statement submitted during the previous calendar year required by 326 IAC 2-6 or section 5(3)(C)(iii) of this rule and other available information shall be the basis for determining total tons of actual emissions of each regulated pollutant. If an annual emission report is not required or if more information is needed to accurately determine a source's emissions for a regulated pollutant, the commissioner may require that the source report annual emissions using procedures acceptable to the commissioner prior to billing.

(d) The commissioner shall exclude from the fee calculation the following:

- (1) The amount of a Part 70 source's actual emission of each regulated pollutant that the source emits in excess of four thousand (4,000) tons per year.
- (2) Emissions for which a fee is due in accordance with ~~326 IAC 2-1-7.1~~ **326 IAC 2-1.1-7**, except for emissions from coke plants subject to 40 CFR 63, Subpart L*, 57 FR

57898*.

(e) After review of the source's annual emission statement and all other available information, the commissioner shall calculate the total emissions to be included in the determination of the annual fee. No source shall be required to pay more than a single dollar-per-ton fee during any billing period for any one (1) ton of pollutant emitted. If the source disputes the calculation of total emissions at the time of the billing, the source shall remit the total fee minus the amount attributable to the disputed emissions total within thirty (30) days of the receipt of a billing. The source shall provide supporting emissions calculations for the commissioner's review no later than thirty (30) days from receipt of the initial billing. The commissioner shall review the information and make a final determination of the total annual fee. The source shall pay any remaining fee within fifteen (15) days of receipt of a second billing. The commissioner's determination of a final fee amount is a final action for purposes of IC 4-21.5.

(f) The commissioner shall adjust the base fee, the cost per ton of emissions fee, and the maximum fee annually by the Consumer Price Index (CPI) using the revision of the CPI which is most consistent with the CPI for the calendar year 1995. Beginning in 1996, in the event that the revenues collected in a given calendar year are insufficient to support the direct and indirect costs of the Title V operating permit program, the commissioner may adjust the fee schedule as necessary to assure adequate revenues, not to exceed thirteen million seven hundred thousand dollars (\$13,700,000) (adjusted by CPI), are collected. The commissioner shall include the full balance of the Title V operating permit program trust fund in determining whether the available funds for the billing year total thirteen million seven hundred thousand dollars (\$13,700,000) (adjusted by CPI). Prior to making any such fee adjustment, the commissioner shall prepare a report demonstrating the revenue shortfall, the need for additional resources to effectively implement the Part 70 permit program, and any proposed adjustment to the fee schedule, and shall make the report available to the public at least sixty (60) days in advance of a regularly scheduled meeting of the air pollution control board, at which the report shall be discussed and affirmed by a majority vote of the board members present. Upon a determination by the commissioner that a fee adjustment is necessary, Part 70 sources shall be billed for the adjustment during the billing cycle following such determination.

(g) Beginning in 1996, the commissioner shall review the monies in the Title V operating permit trust fund prior to billing Part 70 and FESOP sources. If the balance of the fund, once obligated expenditures are subtracted from the balance, exceeds three million dollars (\$3,000,000) as of July 1 of the billing year, the commissioner shall adjust the annual fee schedule to bill an amount, in the aggregate, equivalent to the fee schedule amount, less the excess over three million dollars (\$3,000,000). Adjustments to individual bills shall be proportional to the applicable fee divided by the total amount required by all the applicable fees.

(h) The commissioner shall present a report to the air pollution control board by October 15 of each calendar year, beginning in 1995. The report shall include the following information regarding the permit program required by this rule:

- (1) The number of sources subject to the requirements of this rule.
- (2) The number of permit applications received by the department.
- (3) The number and timeliness of final permit actions taken the previous year.
- (4) A summary of expenditures and revenues to the Title V operating permit program trust fund for the previous year.
- (5) The adequacy of the fees collected by the department to fund the Part 70 permit program.
- (6) A description of any monies deposited into the Title V operating permit program trust fund that were obtained by means other than fees paid under this section or 326 IAC 2-8-16. The description shall document that such revenues were not used to cover any direct or indirect costs of the Title V operating permit program.

Based on the report, the board may recommend that the commissioner prepare revisions to the annual fee schedule such that the annual aggregate amount of fees collected under the operating permit program are sufficient to cover only the direct and indirect costs of the permit program.

(i) A fee schedule established in subsection (c) may be billed in whole or in part by a local air pollution control agency per terms of an enforceable written agreement or contract between the local air agency and the commissioner. Any Part 70 fee paid to a local air agency shall be considered as revenue to the Title V operating permit trust fund and may, after U.S. EPA approval of the Part 70 permit program, only be expended for purposes consistent with IC 13-17-8-2 through IC 13-17-8-9. A local air agency billing to a Part 70 source shall specify the amount being assessed under this section and shall distinguish any other amount billed as not pursuant to the purposes of IC 13-17-8-2 through IC 13-17-8-9 under an enforceable agreement with the commissioner. The commissioner or local air agency may direct the source to make payment of fees established under this section in part to both the department and the local air agency such that the total Part 70 permit program fee does not exceed the amount in subsection (c). During 1994, the commissioner may defer to billing of a local air agency if the total billing for all Part 70 sources exceeds the total amount due under this section if specified in an enforceable agreement between the local air agency and the commissioner. During 1994, the commissioner may assess a fee not to exceed twenty-five percent (25%) of the local agency fee in order to recover costs associated with development and preparation of a complete statewide Part 70 operating permit program for activities that will not be duplicated by the local air agency if it is determined that the local air agency fees collected from Part 70 and FESOP permittees do not provide adequate revenue for the local agency to develop and prepare the Title V operating permit program at a pace comparable to state development and preparation.

*Copies of the Code of Federal Regulations (CFR) and the Federal Register (FR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and

are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-7-19; filed May 25, 1994, 11:00 a.m.: 17 IR 2267; errata filed May 25, 1994, 11:10 a.m.: 17 IR 2358; errata filed Dec 21, 1994, 9:37 a.m.: 18 IR 1290; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2349*)

SECTION 27. 326 IAC 2-7-20 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-20 Operational flexibility

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 20. (a) An owner or operator of a Part 70 source may make any change or changes at the source that are described in subsection (b), (c), or (e), without a prior permit revision, if each of the following conditions is met:

- (1) The changes are not modifications under any provisions of Title I of the CAA.
- (2) The changes do not result in emissions which exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions).
- (3) The owner or operator of the Part 70 source notifies the commissioner and U.S. EPA in advance of the change by written notification given at least ten (10) days in advance of the proposed change. The commissioner and the owner or operator of a Part 70 source each shall attach every such notice to their copy of the relevant permit.
- (4) The owner or operator of the source maintains records on-site which document, on a rolling five (5) year basis, all such changes and emissions trading that are subject to subsections (b), (c), or (e), and makes such records available, upon reasonable request, to public review. Such records shall consist of all information required to be submitted to the commission in the notices specified in subsections (b)(1), (c)(1), and (e)(2).

(b) An owner or operator of a Part 70 source may make Section 502(b)(10) of the CAA changes without a permit revision, subject to the constraints of subsection (a) and the following additional conditions:

- (1) For each such change, the required written notification shall include a brief description of the change within the source, the date on which the change will occur, any change in emissions, and any permit term or conditions that is no longer applicable as a result of the change.
- (2) The permit shield described in section 15 of this rule shall not apply to any change made under this subsection.

(c) An owner or operator of a Part 70 source may trade increases and decreases in emissions in the Part 70 source, where the applicable implementation plan (SIP) provides for

such emission trades without requiring a permit revision, subject to the constraints of subsection (a) and the further conditions of this subsection. Such changes may be made without a permit revision regardless of whether the permit fails to provide expressly for such emissions trading provided the following:

(1) For each such change, the required written notification shall include such information as may be required by the provision in the applicable implementation plan authorizing the emissions trade, including, at a minimum, the following:

- (A) When the proposed change will occur.
- (B) A description of each such change.
- (C) Any change in emissions.
- (D) The permit requirements with which the source will comply using the emissions trading provisions of the applicable implementation plan.
- (E) The pollutants emitted subject to the emissions trade.

The notice shall also refer to the provisions in the applicable implementation plan with which the source will comply and that provide for the emissions trade.

(2) The permit shield described in section 15 of this rule shall not apply to any change made under this subsection. Compliance with the permit requirements that the source will meet using the emissions trade shall be determined according to the requirements of the applicable implementation plan authorizing the emissions trade.

(d) An owner or operator of a Part 70 source may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of the Part 70 permit for the source in accordance with section 5(9) of this rule, without a prior permit revision, subject to compliance with such permit terms and conditions. To procure alternative operating scenarios for its Part 70 permit, the owner or operator of a Part 70 source must request such alternative scenarios in its application for the permit in accordance with section 4(c)(7) of this rule. The provisions of subsection (a) notwithstanding, no advanced notice to the department is required prior to making such a change.

~~————(e) If a permit allows emissions trading under a cap, an owner or operator of a Part 70 source may trade increases and decreases in emissions within the permitted facility, in accordance with permit terms and conditions allowing such emission trades, solely for the purpose of complying with a federally-enforceable emissions cap that is established in the permit independent of otherwise applicable requirements, subject to the constraints of subsection (a) and the following additional conditions:~~

~~————(1) The owner or operator of the Part 70 source has included in its Part 70 permit application:~~

- ~~————(A) a request that the commissioner include terms and conditions in the permit that allow for such emissions trades, including, but not limited to, all terms required under sections 5(3) and 6 of this rule to determine compliance; and~~
- ~~————(B) proposed replicable procedures and permit terms that ensure the emissions~~

~~trades are enforceable, accountable, and quantifiable under the permit cap.~~

~~(2) For each such change under this subsection, the required written notification shall state when the change will occur and shall describe the changes in emissions that will result and how these increases and decreases in emissions will comply with the terms and conditions of the permit.~~

~~(3) The permit shield described in section 15 of this rule shall extend to terms and conditions that allow such increases and decreases in emissions.~~

(e) An owner or operator of a Part 70 source may make changes otherwise requiring a minor or significant permit revision under an emissions cap included in a Part 70 permit without a permit revision, subject to the constraints of subsection (a) and the following additional conditions:

(1) The emissions cap has been established in accordance with the emission cap provisions of this rule.

(2) The notification to the commissioner under subsection (a) shall include the following information:

~~**(A) When the change will occur and shall describe how increases and decreases in emissions will comply with the terms and conditions of the permit.**~~

~~**(B) The company name and address.**~~

~~**(C) The source and permit identification numbers.**~~

~~**(D) A list and description of the unit or units or process or processes to be constructed, reconstructed, or modified.**~~

~~**(E) The identification of the grouping under the cap to which the equipment will be added.**~~

~~**(F) An estimate of the amount and type of emissions associated with the construction, reconstruction, or modification.**~~

~~**(G) A description of any applicable requirements that will apply to the new or modified emission unit or units or process or processes.**~~

~~**(H) A description of the method or methods used to maintain actual emissions from all emission unit or units or process or processes under the emissions cap below the emissions limit, including, but not limited to, reduced production rates, increased emission controls, and limits on operating hours.**~~

~~**(I) A statement that a construction permit is not needed; required under 326 IAC 2-1.1-12(f).**~~

(3) The permit shield in section 15 of this rule shall extend to terms and conditions that allow such increases and decreases in emissions.

(Air Pollution Control Board; 326 IAC 2-7-20; filed May 25, 1994, 11:00 a.m.: 17 IR 2269)

SECTION 28. 326 IAC 2-7-24 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-7-24 Establishment of streamlined requirements for units subject to multiple requirements

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 24. (a) A source owner subject to this rule may request to comply with streamlined requirements for any unit subject to multiple requirements for a specific pollutant, provided the streamlined requirements are established under the Part 70 permit issuance, renewal, or significant permit modification process under this rule.

(b) Instead of the requirements imposed under 326 IAC 3, 326 IAC 4-2, 326 IAC 5, 326 IAC 6, 326 IAC 7, 326 IAC 8, 326 IAC 9, 326 IAC 10, 326 IAC 11, 326 IAC 12, 326 IAC 14, 326 IAC 15, and 326 IAC 20 or a permit issued under ~~326 IAC 2-1-3~~ **326 IAC 2-5.1**, a source proposing the streamlining of multiple requirements shall use the following procedures:

(1) The applicant shall submit a proposal for the streamlining of multiple requirements with the permit application required under section 4 of this rule or any amendment thereof. The proposal for streamlining of multiple requirements may be submitted up to thirty (30) days after issuance of the draft permit.

(2) The applicant shall provide a side-by-side comparison of all requirements included in a streamlining proposal that are currently applicable and effective for each specific regulated air pollutant and emissions unit for which streamlining is being proposed. The applicant shall distinguish between requirements that are emissions standards or work practice standards, or both, and monitoring and compliance demonstration provisions in the streamlining proposal. The applicant shall provide any information the department determines is needed to evaluate the proposal.

(3) The applicant shall develop and provide a compliance schedule with the streamlining proposal to implement any new monitoring requirements or compliance requirements, or both, relevant to the streamlined limit, if the source is unable to comply with the streamlined limit upon permit issuance. The record keeping, monitoring, and reporting requirements of the applicable requirements being subsumed shall remain in effect, as well as any emission limits associated with those requirements, until the new monitoring requirements or compliance requirements, or both, become effective.

(c) In the event the department determines the proposal to be inadequate, the applicant shall be notified and given a reasonable deadline to respond.

(d) The commissioner shall include citations to all subsumed requirements in the Part 70 permit's specification of the origin and authority of permit conditions and shall specify all subsumed requirements under the permit shield. In addition, the Part 70 permit shall include any additional terms and conditions necessary to assure compliance with the streamlined requirement and all subsumed requirements. In all instances, the proposed permit terms and conditions shall

be enforceable as a practical matter.

(e) The commissioner may deny a request for streamlining of multiple requirements for any of the following reasons:

- (1) The streamlined requirements are not as stringent as the requirements to be subsumed.
- (2) The streamlined requirements will not adequately assure compliance with all applicable requirements.
- (3) U.S. EPA objects to the use of the streamlined requirements.
- (4) Any other reason related to the stringency of the streamlined requirements or compliance with the CAA.

(f) In carrying out the public participation and notice to affected states requirements under section 17 of this rule, the commissioner shall do the following:

- (1) Note the use of streamlined requirements or limits, or both, in any required transmittal of a Part 70 application, Part 70 modification application, application summary, or revised application to U.S. EPA and an affected state.
- (2) Include the demonstration used to establish streamlined requirements and supporting documentation in the public record.
- (3) Reissue a draft permit in any case where a request for streamlining of multiple requirements is submitted to the department after issuance of the draft permit.

(g) A streamlined requirement is approved for the source by the U.S. EPA if it is incorporated in an issued Part 70 permit to which the U.S. EPA has not objected. Public comments concerning a Part 70 permit that includes a streamlined requirement shall be transmitted to the U.S. EPA no later than five (5) working days after the end of the public comment period. The commissioner's determination of approval is not binding on the U.S. EPA.

(h) If the commissioner or the U.S. EPA determines that the Part 70 permit does not assure compliance with applicable requirements, the commissioner shall reopen and revise the permit.

(i) The source shall comply with all applicable requirements to be subsumed by the proposed streamlined requirement until the Part 70 permit has been issued with the streamlined requirements.

(j) A source violating a streamlined limitation or requirement in a Part 70 permit may be subject to an enforcement action for violation of one (1) or more of the subsumed requirements.

(k) Noncompliance with any provision in a permit established pursuant to this section constitutes a violation of this rule. (*Air Pollution Control Board; 326 IAC 2-7-24; filed Apr 22,*

1997, 2:00 p.m.: 20 IR 2352)

SECTION 29. 326 IAC 2-8-2 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-2 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) A source required to have a Part 70 permit as described in 326 IAC 2-7-2(a) may apply to the commissioner for a FESOP. Until the commissioner has issued a FESOP for the source, the source is subject to all applicable requirements of 326 IAC 2-7. If the commissioner has not issued a source that exists on December 14, 1995, a final FESOP by December 14, 1996, the source must comply with all provisions of 326 IAC 2-7.

(b) Any source required to obtain a permit under 326 IAC 2-6.1 may apply to the commissioner for a FESOP.

(Air Pollution Control Board; 326 IAC 2-8-2; filed May 25, 1994, 11:00 a.m.: 17 IR 2271; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2354)

SECTION 30. 326 IAC 2-8-3 IS AMENDED AS FOLLOWS:

326 IAC 2-8-3 Permit application

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) The owner or operator of a source seeking a FESOP shall submit a complete application on such form or forms as the commissioner may establish, or in other application formats authorized by the commissioner. An application for a FESOP may be submitted at any time. Unless, within ninety (90) days of receipt of an application, the commissioner determines that an application is not complete, such application shall be deemed to be complete.

(b) In order for an application to be deemed complete, it must contain the following:

(1) Substantive information required under subsection (c). Applications for a FESOP revision must supply substantive information required under subsection (c) only as it relates to the proposed change.

(2) Certification by a responsible official ~~an~~ **authorized individual** that the submitted information is consistent with subsection (d).

(c) An application for a FESOP shall include the information specified in this subsection to the extent necessary to determine applicable requirements, compliance with applicable requirements and this rule, and compliance with the terms and conditions of a FESOP. The

following information shall be included in the application for all emissions units at a FESOP source:

- (1) Identifying information, including the following:
 - (A) Company name and address (or plant name and address if different from the company name).
 - (B) Owner's name and agent.
 - (C) Telephone numbers and names of plant site manager, **authorized individual**, or site contact.
- (2) A description of the source's processes and products (by Standard Industrial Classification Code), including any associated with each alternate scenario identified by the source.
- (3) The following emissions related information:
 - (A) All emissions of regulated air pollutants. A FESOP application shall describe all emissions of regulated air pollutants emitted from any emissions unit. The applicant shall provide such additional information related to the emissions of air pollutants as is sufficient to verify which requirements are applicable to the source.
 - (B) Identification and description of all points of emissions described in clause (A) in sufficient detail to establish the applicability of requirements of this title.
 - (C) Emissions rates of all pollutants described in clause (A) in tons per year (tpy) and in such terms as are necessary to establish compliance consistent with the applicable standard reference test method.
 - (D) The following information to the extent it is needed to determine or regulate emissions:
 - (i) Fuels, including types and characteristics.
 - (ii) Fuel use, including types and quantities combusted.
 - (iii) Raw materials.
 - (iv) Production and process rates.
 - (v) Operating schedules.
 - (E) Identification and description of air pollution control equipment and compliance monitoring devices or activities.
 - (F) Limitations on source operation affecting emissions or any work practice standards, as requested by the applicant, for all regulated pollutants at a FESOP source.
 - (G) Other information required by any applicable requirement, including information related to stack height limitations developed under Section 123 of the CAA.
 - (H) Calculations, examples of calculations, or descriptions of calculation methods or basis on which the information in this subsection are based.
 - (I) Insignificant activities shall be listed, but the emissions related information described in this subdivision need not be provided unless the commissioner

determines that such information is necessary to determine the applicability of 40 CFR 70*. Information concerning trivial activities as defined in 326 IAC 2-7-1(40) need not be included in permit applications submitted under this rule.

- (4) Other specific information that may be necessary to implement and enforce other applicable requirements of the CAA or of this rule or to determine the applicability of such requirements.
- (5) An explanation of any proposed exemptions from otherwise applicable requirements.
- (6) Confirmation of the following:
 - (A) that the source maintains on-site a preventive maintenance plan as described in 326 IAC 1-6-3; and
 - (B) that upon request the source will forward to department the preventive maintenance plan.

(7) At the option of the applicant, a request that the permit provide terms and conditions allowing for the trading of emissions increases and decreases at the applicant's source under sections 4(11) and 15(b) of this rule. In addition to such other information as may be requested by the commissioner as necessary to define such permit terms and conditions, the applicant shall include the following information:

(A) Identification, description, and location of the emission units or processes that will be included under and comply with an emissions cap.

(B) Identification of any emission limitations or standards or other requirements applicable to the pollutants, emission units, or processes to be included under an emissions cap.

(C) A description of the emissions cap program or programs to be established at the sources. The emissions cap may include any one (1) or more pollutants and may be based on one (1) of the following:

(i) Source-wide actual emissions, not to exceed allowable emissions, including a reasonable operating margin that is less than the significant emissions rate as defined under 326 IAC 2-2-1. Actual emissions shall be calculated using the actual emissions for any twelve (12) consecutive months during the one hundred twenty (120) months preceding the request for an emissions cap.

(ii) A source-wide permit limitation on the potential to emit of a pollutant less than the applicability thresholds of 326 IAC 2-2, 326 IAC 2-3, 326 IAC 2-4.1, or other applicable requirement.

The emissions cap program may consist of multiple caps, except if the multiple caps would allow a violation of 326 IAC 2-2.

(D) A description of any new applicable requirements, permit terms, or conditions that may apply.

(E) A description of the compliance monitoring requirements to be implemented with the emissions cap program or programs.

(F) Emissions information or other relevant information to be used for the basis of the emission cap or caps: establishment of an emissions cap program or programs. The request for an emissions cap program or programs shall include the information under 326 IAC 2-1.1-12(d).

(d) Any application form or compliance certification submitted under this rule shall contain certification by a responsible official **an authorized individual** of truth, accuracy, and completeness. This certification and any other certification required under this section shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(e) In the case where a source has submitted information to the commissioner under a claim of confidentiality under 326 IAC 17, the commissioner may also require the source to submit a copy of such information directly to the U.S. EPA.

(f) Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a FESOP application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. An applicant shall provide additional information as necessary to address any requirements that become applicable to the source after the date the applicant filed a complete application but prior to release of a draft FESOP. In addition, the applicant shall provide additional information as requested by the commissioner to determine the compliance status of the source in accordance with section 5(a) of this rule.

(g) If, while processing an application, the commissioner determines that additional information is necessary to evaluate or take final action on that application, the commissioner may request such information in writing and set a reasonable deadline for a response.

(h) For purposes of a FESOP renewal, a timely application is one that is submitted at least nine (9) months prior to the date of expiration of the source's existing permit.

*Copies of the Code of Federal Regulations (CFR) referenced may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204. (*Air Pollution Control Board; 326 IAC 2-8-3; filed May 25, 1994, 11:00 a.m.: 17 IR 2271; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2355*)

SECTION 31. 326 IAC 2-8-4 IS AMENDED AS FOLLOWS:

326 IAC 2-8-4 Permit content

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 4. The following shall be included in each FESOP issued under this rule:

(1) Emission limitations and standards, including those operational requirements and limitations that limit the source's capacity to emit any air pollutants such that it does not fall within any of the categories listed in 326 IAC 2-7-2(a) and that assure compliance with all applicable requirements at the time of FESOP issuance. The FESOP shall include the following:

(A) The FESOP shall specify and reference the origin of and authority for each term or condition and identify any difference in form as compared to the applicable requirement upon which the term or condition is based.

(B) Where an applicable requirement of the CAA is more stringent than an applicable requirement of regulations promulgated under Title IV of the CAA, both provisions shall be incorporated into the FESOP and shall be described in the permit as enforceable by the commissioner and the U.S. EPA.

(C) If an applicable implementation plan allows a determination of an alternative emission limit for a FESOP source, equivalent to that contained in the plan, to be made in the permit issuance, renewal, or significant modification process, and the commissioner elects to use such process, any FESOP containing an alternative emission limit based on such an equivalency determination shall contain provisions to ensure that such emissions limit has been demonstrated to be quantifiable, accountable, enforceable, and based on replicable procedures.

(D) Emission limitations applicable to startup, shutdown, and emergency bypasses shall be addressed on a case-by-case basis in the permit. Such limitations shall be designed so as to minimize the frequency of such events and to minimize the excess emissions caused by these events, to the extent feasible, taking into consideration available technologies, safety, cost, and other relevant factors.

(2) A permit term not to exceed five (5) years from the date of issuance.

(3) Monitoring and related record keeping and reporting requirements which assure that all reasonable information is provided to evaluate continuous compliance with the applicable requirements. At a minimum, the following shall be contained in each FESOP:

(A) Each FESOP shall contain the following requirements with respect to monitoring:

(i) All emissions monitoring and analysis procedures or test methods required under the applicable requirements, including any procedures and methods promulgated under Section 504(b) or 114(a)(3) of the CAA.

(ii) Where an applicable requirement does not require periodic testing or instrumental or noninstrumental monitoring (which may consist of record keeping designed to serve as monitoring), periodic monitoring specifications sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the FESOP,

as reported under clause (C). Such monitoring requirements shall assure use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement. Record keeping provisions may be sufficient to meet the requirements of this clause.

(iii) As necessary, requirements concerning the use, maintenance, and, where appropriate, installation of monitoring equipment or methods.

(B) With respect to record keeping, the FESOP shall incorporate all applicable record keeping requirements, including, where applicable, the following:

(i) Records of required monitoring information that include the following:

(AA) The date, place, as defined in the FESOP, and time of sampling or measurements.

(BB) The dates analyses were performed.

(CC) The company or entity that performed the analyses.

(DD) The analytical techniques or methods used.

(EE) The results of such analyses.

(FF) The operating conditions as existing at the time of sampling or measurement.

(ii) Retention of records of all required monitoring data and support information for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application. Support information includes the following:

(AA) All calibration and maintenance records.

(BB) All original strip chart recordings for continuous monitoring instrumentation.

(CC) Copies of all reports required by a FESOP.

(DD) For the purposes of complying with this subdivision, the permittee shall retain the records on-site for three (3) years and shall make them available upon request for the two (2) years following.

(C) With respect to reporting, a FESOP shall incorporate all applicable reporting requirements and requirements for the following:

(i) Submittal of reports of any required monitoring at least every six (6) months. All instances of deviations from FESOP requirements must be clearly identified in such reports. All required reports must be certified by a responsible official **an authorized individual** consistent with section 3(d) of this rule.

(ii) The reporting of deviations from FESOP requirements, including those attributable to upset conditions as defined in a FESOP permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Proper notice submittal under section 12 of this rule satisfies the reporting requirements of this item. Notwithstanding

requirements in this section, the reporting of deviations required by an applicable requirement shall follow the schedule stated in the applicable requirement.

- (4) A severability clause to ensure the continued validity of the various FESOP requirements in the event that a portion of the FESOP is determined to be invalid.
- (5) Provisions stating the following:
 - (A) The permittee must comply with all conditions of the FESOP. Noncompliance with any provision of a FESOP is grounds for:
 - (i) enforcement action;
 - (ii) FESOP termination, revocation and reissuance, or modification; and
 - (iii) denial of a FESOP renewal application.
 - (B) It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of a FESOP.
 - (C) The FESOP may be modified, reopened, revoked and reissued, or terminated for cause. The filing of a request by the permittee for a FESOP modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any FESOP condition.
 - (D) The FESOP does not convey any property rights of any sort or any exclusive privilege.
 - (E) The permittee shall furnish to the commissioner, within a reasonable time, any information that the commissioner may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating a FESOP or to determine compliance with a FESOP. Upon request, the permittee shall also furnish to the commissioner copies of records required to be kept by a FESOP or, for information claimed to be confidential, the permittee may furnish such records directly to the U.S. EPA along with a claim of confidentiality.
- (6) A provision to ensure that a FESOP source pays fees to the commissioner consistent with the fee schedule approved under section 16 of this rule.
- (7) Terms and conditions which allow for changes by the FESOP source among reasonably anticipated operating scenarios that are identified by the source in its application as approved by the commissioner. Such terms and conditions shall:
 - (A) require the source, contemporaneously with making a change from one (1) operating scenario to another, to make a record in a log at the permitted facility of the scenario under which it is operating; and
 - (B) for each such alternative operating scenario, require compliance with all applicable requirements and the requirements of this rule.
- (8) Terms and conditions, if a FESOP applicant requests them, for the trading of emissions increases and decreases in the permitted facility, to the extent that the applicable requirements provide for trading such increases and decreases without a case-by-case approval of each emissions trade. Such terms and conditions:

- (A) shall include all terms required under section 5 of this rule to determine compliance; and
 - (B) shall require compliance with all applicable requirements and requirements of this rule.
- (9) A provision that requires the source to do all of the following:
- (A) Maintain on-site the preventive maintenance plan required under section 3(c)(6) of this rule.
 - (B) Implement the preventive maintenance plan.
 - (C) Forward to the department upon request the preventive maintenance plan.
- (10) Descriptive information.
- (11) Terms and conditions, if requested by the permit applicant, that allow for the trading of emissions increases and decreases in changes at the permitted source, solely for the purpose of complying that comply with a federally enforceable emissions cap established in accordance with 326 IAC 2-1.1-12 and section 15(b) of this rule. Such terms and conditions shall:**
- (A) include all terms required under subdivision (3) and section 5 of this rule to determine compliance with the emission cap limit, all associated applicable requirements, and all terms required under section 15(a) and 15(b) of this rule;**
 - (B) include a federally enforceable emissions cap, which may be independent of otherwise applicable requirements, with which the source must comply in the course of trading emissions increases and decreases at the source;**
 - (C) require the permittee to meet all applicable requirements and all requirements of this rule;**
 - (D) allow construction of new emission units or reconstruction or modification to existing emission units or processes that would otherwise require an operating permit revision, provided the actual emissions from the emission units or processes specified under an emissions cap or to be included under the emissions cap do not exceed the emissions limitation for the cap;**
 - (E) allow for emissions trading solely for the purposes of complying with the emissions cap, provided the emissions cap request contains adequate terms and conditions, including all terms required under subdivision (3) and section 5 of this rule to determine compliance with the cap and with any emissions trading provisions;**
 - (F) contain replicable procedures and permit terms that ensure the emissions cap is enforceable and trades pursuant to the cap are quantifiable and enforceable;**
 - (G) be established in accordance with the procedures pursuant to sections 8, 17, and 18 of this rule; and**
 - (H) require the owner or operator to provide notice for those changes that**

would have otherwise required a minor or significant operating permit revision in accordance with section 15(b) of this rule.

(12) Terms and conditions, if requested by the permit applicant, that, notwithstanding the permit revision requirements under section 11.1 of this rule, allow the source to make modifications without review, provided the operating permit includes terms and conditions that prescribe emissions limitations and standards applicable to specifically identified modifications or types of modifications which may occur during the term of the permit. Such permit conditions shall include the following:

(A) Emission limitations and standards necessary to assure compliance with the permit terms and conditions and all applicable requirements.

(B) Monitoring, testing, reporting, and record keeping requirements that assure all reasonable information is provided to evaluate continuous compliance with the permit terms and conditions, the underlying requirements of this title, and the CAA.

(Air Pollution Control Board; 326 IAC 2-8-4; filed May 25, 1994, 11:00 a.m.: 17 IR 2272; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2356)

SECTION 32. 326 IAC 2-8-5 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-5 Compliance requirements for FESOPs

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 5. (a) Each FESOP shall contain the following requirements:

(1) Compliance certification, testing, monitoring, reporting, and record keeping requirements sufficient to assure compliance with the terms and conditions of the FESOP. Any document (including reports) required by a FESOP shall contain a certification by ~~a responsible official~~ **an authorized individual** that meets the requirements of section 3(d) of this rule. Compliance certification requirements shall include the following:

(A) The frequency of submissions of compliance certifications.

(B) In accordance with section 4(3) of this rule, a means for monitoring the compliance of the source with its emissions limitations, standards, and work practices.

(C) A requirement that the compliance certification include the following:

(i) The identification of each term or condition of the FESOP that is the basis of the certification.

(ii) The compliance status.

(iii) Whether compliance was continuous or intermittent.

(iv) The methods used for determining the compliance status of the

source, currently and over the reporting period.

(v) Such other facts as the commissioner may require to determine the compliance status of the source.

(D) Such additional requirements as may be specified under Sections 114(a)(3) and 504(b) of the CAA.

(2) Inspection and entry requirements that require that, upon presentation of credentials and other documents as may be required by law, the permittee shall allow the commissioner, an authorized representative, or the U.S. EPA to perform the following:

(A) Enter upon the permittee's premises where a FESOP source is located or emissions related activity is conducted, or where records must be kept under the conditions of a FESOP.

(B) Have access to and copy, at reasonable times, any records that must be kept under the conditions of a FESOP.

(C) Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under a FESOP.

(D) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with a FESOP or applicable requirements.

(3) A schedule for compliance with any requirement with which the source is not in compliance at the time of permit issuance. Such a schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones leading to compliance with any requirements for which the source will be in noncompliance at the time of FESOP issuance. This compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the source is subject. Any such schedule of compliance shall be supplemental to, and shall not sanction noncompliance with, the applicable requirements on which it is based.

(4) Such other provisions as the commissioner may require.

(b) The commissioner may issue a compliance order to any source upon discovery that an issued permit is in nonconformance with an applicable requirement. The order may require immediate compliance or contain a schedule for expeditious compliance with the applicable requirement. (*Air Pollution Control Board; 326 IAC 2-8-5; filed May 25, 1994, 11:00 a.m.: 17 IR 2274*)

SECTION 33. 326 IAC 2-8-7 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-7 Permit issuance, renewal, and revisions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 7. (a) A FESOP, FESOP modification, or renewal may be issued only if all of the following conditions have been met:

- (1) The commissioner has received a complete application for a FESOP, FESOP modification, or FESOP renewal.
- (2) The commissioner has complied with the requirements for public notice under section 13 of this rule.
- (3) The conditions of the FESOP provide for compliance with all applicable requirements and the requirements of this rule.
- (4) The U.S. EPA has received a copy of the draft FESOP and any notices required and has either:
 - (A) not objected to the issuance of the FESOP not later than thirty (30) days after receipt of the draft FESOP; or
 - (B) confirmed that the commissioner has adequately addressed an objection.

(b) The submittal of a complete application shall not affect the requirement that any source have a preconstruction permit under ~~326 IAC 2-1~~ **326 IAC 2-2** through ~~326 IAC 2-3~~: **326 IAC 2-5.1.** (*Air Pollution Control Board; 326 IAC 2-8-7; filed May 25, 1994, 11:00 a.m.: 17 IR 2274; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2358*)

SECTION 34. 326 IAC 2-8-10 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-10 Administrative permit amendments

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 10. (a) An administrative permit amendment is a FESOP revision that does any of the following:

- (1) Corrects typographical errors.
- (2) Identifies a change in the name, address, or telephone number of any person identified in the FESOP, or provides a similar minor administrative change at the source.
- (3) Requires more frequent monitoring or reporting by the permittee.
- (4) Allows for a change in ownership or operational control of a source where the commissioner determines that no other change in a FESOP is necessary, provided that a written agreement containing a specific date for transfer of a FESOP responsibility, coverage, and liability between the current and new permittee has been submitted to the

commissioner.

(5) Incorporates into the FESOP the requirements from preconstruction permits issued under 326 IAC 2-1-3, 326 IAC 2-1-3.2, 326 IAC 2-1-3.3, 326 IAC 2-2, and 326 IAC 2-3 where the preconstruction permit provides for administrative amendment and copies of the draft and final permits were submitted to the U.S. EPA.

(6) (5) Makes a change to a monitoring, maintenance, or record keeping requirement that is not environmentally significant. Such change shall not be an administrative amendment if the monitoring, maintenance, or record keeping is required by an applicable requirement.

(7) (6) Revises descriptive information where the revision will not trigger a new applicable requirement or violate a permit term.

(7) Incorporates alternative testing or compliance monitoring requirements that have received U.S. EPA approval under 40 CFR 60, 40 CFR 61, or 40 CFR 63*.

(8) Incorporates newly-applicable monitoring or testing requirements specified in 40 CFR 60, 40 CFR 61, or 40 CFR 63* that apply as the result of a change in applicability of those requirements to the source, including removal from the permit of monitoring or testing requirements that no longer apply as a result of the change in applicability.

(9) Incorporates test methods or monitoring requirements specified in an applicable requirement that the source may use under the applicable requirement as an alternative to the testing or monitoring requirements contained in the permit.

(10) Allows for the construction and operation of a modification that has received advance approval under this rule.

~~(11) Allows for changes or modifications to emissions units and processes that are operating under an emissions cap established in accordance with this rule.~~

~~(12) (11) Allows for changes or modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not result in an increase in the potential to emit of any regulated pollutant greater than the thresholds in 326 IAC 2-1.1-3(d)(1) or a significant change in the method or methods to demonstrate or monitor compliance.~~

~~(13) (12) Allows for a change or modification that meets the applicability criteria and can meet and will comply with the operational limitations for a source specific operating agreement under 326 IAC 2-9 or a general permit under 326 IAC 2-12 or section 18 of this rule and does not require an adjustment to the potential to emit of the source.~~

~~(14) (13) Incorporates a modification of an existing source if the modification will replace or repair a part or piece of equipment in an existing process, unless the modification:~~

- ~~(A) results in the replacement or repair of an entire process;~~
- ~~(B) qualifies as a reconstruction of an entire process; or~~
- ~~(C) may result in an increase of actual emissions.~~

~~(15)~~ (14) Incorporates a modification that adds an emissions unit or units of the same type that are already permitted and that will comply with the same applicable requirements and permit terms and conditions as the existing emission unit or units, except if the modification would result in a potential to emit greater than the thresholds in 326 IAC 2-2 or 2-3.

~~(16)~~ (15) Incorporates a modification that is subject to the following reasonably available control technology (RACT), a new source performance standard (NSPS), or a national emission standard for hazardous air pollutants (NESHAP) and the RACT, NSPS, or NESHAP is the most stringent applicable requirement, except for those modifications that would be subject to the provisions of 40 CFR 63, Subpart B (61 FR 68384, December 27, 1996) Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*:

- (A) 40 CFR 60.40c, except for modifications to a source located in Lake County.
- (B) 40 CFR 60.110b.
- (C) 40 CFR 60.250, except for modifications that include thermal dryers.
- (D) 40 CFR 60.330 for modifications that only include emergency generators.
- (E) 40 CFR 60.670.
- (F) 40 CFR 61.110.

As part of the application required under subsection (c), the applicant shall acknowledge the requirement to comply with the RACT, NSPS, or NESHAP. For modifications under clauses (A) through (D), the source must use the monitoring specified in the relevant RACT, NSPS, or NESHAP.

~~(17)~~ (16) Incorporates a modification that is subject to one (1) of the following NSPSs, except for modifications that would be subject to 326 IAC 8-1-6:

- (A) 40 CFR 60.310.
- (B) 40 CFR 60.390.
- (C) 40 CFR 60.430.
- (D) 40 CFR 60.440.
- (E) 40 CFR 60.450.
- (F) 40 CFR 60.460.
- (G) 40 CFR 60.490.
- (H) 40 CFR 60.540.
- (I) 40 CFR 60.560.
- (J) 40 CFR 60.580.
- (K) 40 CFR 60.600.
- (L) 40 CFR 60.660.
- (M) 40 CFR 60.720.

As part of the application required under subsection (c), the applicant shall acknowledge the requirement to comply with the NSPS. For modifications under clauses (A) through (H), the source must use the monitoring specified in the NSPS.

(b) An administrative permit amendment may be made by the commissioner consistent with the following:

(1) The commissioner shall take no more than sixty (60) days from receipt of a request for an administrative permit amendment to take final action on such request and may incorporate such changes without providing prior notice to the public or affected states provided that it designates any such permit revisions as having been made under this subsection.

(2) The commissioner shall submit a copy of a revised FESOP to the U.S. EPA.

(3) The source may implement the changes addressed in the request for an administrative amendment immediately upon submittal of the request.

(Air Pollution Control Board; 326 IAC 2-8-10; filed May 25, 1994, 11:00 a.m.: 17 IR 2275)

SECTION 35. 326 IAC 2-8-11.1 IS ADDED TO READ AS FOLLOWS:

326 IAC 2-8-11.1 Permit revisions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 11.1. (a) Any person proposing to add additional emission units, modify existing emission units, or otherwise modify a FESOP source as described in this section shall submit a permit revision request in accordance with this rule.

(b) Notwithstanding any other provision of this article, the owner or operator of a source may repair or replace an emissions unit or air pollution control equipment or components thereof that would require a permit or operating permit revision under a provision of this article prior to receiving the operating permit revision if:

(1) the repair or replacement results in a potential to emit for each regulated pollutant that is less than or equal to the potential to emit of the equipment the affected emissions unit that was repaired or replaced;

(2) the repair or replacement is not a major modification under 326 IAC 2-2-1, 326 IAC 2-3-1, or 326 IAC 2-4.1;

(3) the repair or replacement:

(A) returns the emissions unit, process, or control equipment to normal operation after an upset, malfunction, mechanical failure; or

(B) prevents impending and imminent failure of the emissions unit, process, or control equipment; and

(4) the owner or operator of the source submits an application for a permit or permit revision to the commissioner no later than thirty (30) calendar days after initiating the emergency repair or replacement.

(c) An application required under this section shall meet the requirements of section 3(c) of this rule and include the following information:

- (1) Company name and address.**
- (2) A description of the change and the emissions resulting from the change.**
- (3) An identification of the applicable requirements to which the source is newly subject as a result of the change, including the applicable emission limits and standards, applicable monitoring and test methods, and applicable record keeping and reporting requirements.**
- (4) Proposed permit terms and conditions required to implement the change including limitations and methods to be used to comply with such limitations for modifications described in subsection ~~(c)(5)~~. ~~(d)(5)~~.**
- (5) A schedule of compliance, if applicable.**
- (6) A certification consistent with section 3(d) of this rule.**

(d) The following modifications shall require minor permit revisions and shall require approval prior to construction and operation:

- (1) Modifications that reduce the frequency of any monitoring or reporting required by a permit condition or applicable requirement.**
- (2) The addition of a portable source as defined in 326 IAC 2-14.**
- (3) Modifications involving a pollution control project or pollution prevention project as defined in 326 IAC 2-1.1-1 that do not increase the potential to emit of any regulated pollutant greater than the thresholds under subsection (e)(1), but requires a significant change in the method or methods to demonstrate or monitor compliance.**
- (4) Modifications that would have a potential to emit within the following ranges:**
 - (A) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of either particulate matter (PM) or particulate matter less than ten (10) microns (PM₁₀).**
 - (B) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of sulfur dioxide (SO₂).**
 - (C) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of nitrogen oxides (NO_x).**
 - (D) Less than twenty-five (25) tons per year and equal to or greater than ten (10) tons per year of volatile organic compounds (VOC) for modifications that are not subject to 326 IAC 8 .**
 - (E) Less than twenty-five (25) tons per year and equal to or greater than fifteen (15) pounds per day of volatile organic compounds (VOC) for modifications that are subject to 326 IAC 8 .**
 - (F) Less than one hundred (100) tons per year and equal to or greater than twenty-five (25) tons per year of carbon monoxide (CO).**
 - (G) Less than five (5) tons per year and equal to or greater than**

two-tenths (0.2) ton per year of lead (Pb).

(H) Less than twenty-five (25) tons per year and equal to or greater than five (5) tons per year of the following regulated air pollutants:

- (i) Hydrogen sulfide (H₂S).
- (ii) Total reduced sulfur (TRS).
- (iii) Reduced sulfur compounds.
- (iv) Fluorides.

(5) Modifications for which the potential to emit is limited to less than twenty-five (25) tons per year of any regulated pollutant other than hazardous air pollutants, ten (10) tons per year of any single hazardous air pollutant as defined under Section 112(b) of the CAA, or twenty-five (25) tons per year of any combination of hazardous air pollutants by complying with one (1) of the following constraints:

- (A) Limiting total annual solvent usage or maximum volatile organic compound content, or both.
- (B) Limiting annual hours of operation of the process or business.
- (C) Using a particulate air pollution control device as follows:
 - (i) Achieving and maintaining ninety-nine percent (99%) efficiency.
 - (ii) Complying with a no visible emission standard.
 - (iii) The potential to emit before air pollution controls does not exceed major source thresholds for federal permitting programs.
 - (iv) Certifying to the commissioner that the air pollution control device supplier guarantees that a specific outlet concentration, in conjunction with design air flow, will result in actual emissions less than twenty-five (25) tons of particulate matter (PM) or fifteen (15) tons per year of particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).
- (D) Limiting individual fuel usage and fuel type for a combustion source.
- (E) Limiting raw material throughput or sulfur content of raw materials, or both.

(6) A change that is not described under section 10(a)(16) and 10(a)(17) of this rule and is subject to a reasonably available control technology (RACT), a new source performance standard (NSPS), or a national emission standard for hazardous air pollutants (NESHAP) and the RACT, NSPS, or NESHAP is the most stringent applicable requirement, except for those modifications that would be subject to the provisions of 40 CFR 63, Subpart B (61 FR 68384, December 27, 1996) Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources*. As part of the application required under subsection (b), the applicant shall acknowledge the requirement to comply with the RACT, NSPS, or NESHAP.

(7) A modification for which a source requests an emission limit to avoid 326 IAC 8-1-6.

(e) Minor permit revision procedures shall be as follows:

(1) Any person proposing to make a change described in subsection (d) shall submit an application concerning the change and shall include the information under subsection (c).

(2) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the change until the commissioner has revised the permit.

(3) Within forty-five (45) calendar days from receipt of an application for a minor permit revision, the commissioner shall either:

(A) approve the minor permit revision request;

(B) deny the minor permit revision; or

(C) determine that the minor permit revision request would impact air quality, would allow for a significant increase in emissions, or would not provide for the determination or monitoring of compliance monitoring consistent with this rule and should be processed as a significant permit revision.

(4) The permit shall be revised by attaching incorporating the minor permit revision to into the permit. The commissioner shall make any changes necessary to assure compliance with this title and the CAA prior to attaching the minor permit revision to the permit. The commissioner shall notify the permittee upon attachment incorporation of the minor permit revision to the permit and provide a copy of the minor permit revision to the permittee. Notwithstanding IC 13-15-5, the commissioner's approval shall become effective immediately.

(f) Significant permit revision procedures are as follows:

(1) A significant permit revision is a modification that is not an administrative amendment under section 10 of this rule or subject to subsection (d) and includes the following:

(A) Any modification that would be subject to 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1.

(B) Any modification that results in the source needing to obtain a Part 70 permit under 326 IAC 2-7.

(C) A modification that is subject to 326 IAC 8-1-6.

(D) For a source in Lake or Porter County with the potential to emit greater than or equal to twenty-five (25) tons per year of either VOC or NOx, any modification that would result in an increase of either emissions as follows:

(i) Greater than or equal to fifteen (15) pounds per day of VOCs.

(ii) Greater than or equal to twenty-five (25) pounds per day of NOx.

(E) Any modification with a potential to emit of lead greater than or equal to one (1) ton per year.

(F) Any modification with a potential to emit greater than or equal to

twenty-five (25) tons per year of the following pollutants:

- (i) Particulate matter (PM) or particulate matter with an aerodynamic diameter less than or equal to ten (10) micrometers (PM₁₀).**
- (ii) Sulfur dioxide (SO₂).**
- (iii) Nitrogen oxides (NO_x).**
- (iv) Volatile organic compounds (VOC).**
- (v) Hydrogen sulfide (H₂S).**
- (vi) Total reduced sulfur (TRS).**
- (vii) Reduced sulfur compounds.**
- (viii) Fluorides.**

(G) For a source of lead with a potential to emit greater than or equal to five (5) tons per year, a modification that would increase the potential to emit greater than or equal to six-tenths (0.6) ton per year.

(H) Any modification with a potential to emit greater than or equal to ten (10) tons per year of a single hazardous air pollutant as defined under Section 112(b) of the CAA or twenty-five (25) tons per year of any combination of hazardous air pollutants.

(I) Any modification with a potential to emit greater than or equal to one hundred (100) tons per year of carbon monoxide (CO).

(J) Any modification involving a pollution control project as defined in 326 IAC 2-1.1-1 that results in an increase in the potential to emit of any regulated pollutant greater than the thresholds under this section and requires a change in the method or methods to demonstrate or monitor compliance.

(K) Any modification involving a pollution prevention project as defined in 326 IAC 2-1.1-1 that increases the potential to emit of any regulated pollutant greater than the thresholds under this section or that results in emissions of any regulated pollutant not previously emitted.

(2) The following conditions shall apply to significant permit revisions.

(A) Any person proposing to make a modification described in this subsection shall submit an application concerning the modification and shall include the information under subsection (c).

(B) The commissioner shall provide a copy of the significant permit revision application and draft and final operating permit revision to the U.S. EPA.

(C) Except as provided in 326 IAC 2-13, the source may not begin construction on any emissions unit that is necessary to implement the change until the commissioner has revised the permit.

(D) The commissioner shall provide for public notice and comment in accordance with section 13 of this rule.

(E) The commissioner shall approve or deny the significant permit revision

as follows:

- (i) Within one hundred twenty (120) calendar days from receipt of an application for a significant permit revision, except for a significant permit revision under subsection (e)(1)(A);
- (ii) Within two hundred seventy (270) calendar days from receipt of an application for a significant permit revision under subsection (e)(1)(A) .

(F) The permit shall be revised by attaching incorporating the significant permit revision to into the permit. The commissioner shall make any changes necessary to assure compliance with this title and the CAA prior to attaching the significant permit revision to the permit.

(g) Notwithstanding the existence of an emissions cap, the following changes shall be required to be reviewed in accordance with the procedures in subsection (f).

- (1) Any modifications that trigger any new applicable requirements for the units or processes under the cap.
- (2) Any modifications that require an adjustment to the emissions cap limitations.
- (3) Any modifications that change any existing requirements for the units or processes under the cap.

(Air Pollution Control Board; 326 IAC 2-8-11.1)

SECTION 36. 326 IAC 2-8-15 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-15 Operational flexibility

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 15. (a) An owner or operator of a FESOP source may make any change or changes at the source that are described in subsection (b), (c), or (d), without a prior permit revision, if each of the following conditions is met:

- (1) The changes are not modifications under any provisions of Title I of the CAA.
- (2) The changes do not result in emissions which exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions).
- (3) The owner or operator of the FESOP source notifies the commissioner and U.S. EPA in advance of the change, with the information described in subsections (b) through (d), by written notification given at least ten (10) days in advance of the proposed change.
- (4) The commissioner and the owner or operator of a FESOP source each shall attach every such notice to their copy of the relevant permit.

(5) The owner or operator of the source maintains records on-site which document, on a rolling five (5) year basis, all such changes and emissions trading that are subject to subsections (b) through (d) and makes such records available, upon reasonable request, for public review. Such records shall consist of all information required to be submitted to the commissioner in the notices specified in subsections (b)(1), **(b)(2)**, (c)(1), and (d).

(b) An owner or operator of a FESOP source may make Section 502(b)(10) of the CAA changes without a permit revision, subject to the constraints of subsection (a) and the following additional conditions:

- ~~_____ (1) For each such change, the required written notification shall include a brief description of the change within the source, the date on which the change will occur, any change in emissions, and any permit term or conditions that is no longer applicable as a result of the change.~~
- ~~_____ (2) The permit shield described in section 15 of this rule shall not apply to any change made under this subsection.~~

(b) An owner or operator of a FESOP source may make changes under an emissions cap included in a FESOP permit without a permit revision, subject to the constraints in subsection (a) and the following conditions:

(1) The emissions cap has been established in accordance with this rule and 326 IAC 2-1.1-12.

(2) The notification to the commissioner under subsection (a) shall include the following information:

- ~~_____ **(A) When the change will occur and shall describe how increases and decreases in emissions will comply with the terms and conditions of the permit.**~~
- ~~_____ **(B) The company name and address.**~~
- ~~_____ **(C) The source and permit identification numbers.**~~
- ~~_____ **(D) A list and description of the unit or units or process or processes to be constructed, reconstructed, or modified.**~~
- ~~_____ **(E) The identification of the grouping under the cap to which the equipment will be added.**~~
- ~~_____ **(F) An estimate of the amount and type of emissions associated with the construction, reconstruction, or modification.**~~
- ~~_____ **(G) A description of any applicable requirements that will apply to the new or modified emission unit or units or process or processes.**~~
- ~~_____ **(H) A description of the method or methods used to maintain actual emissions from all emission unit or units or process or processes under the emissions cap below the emissions limit, including but not limited to, reduced production rates, increased emission controls, and limits on operating hours.**~~
- ~~_____ **(I) A statement that a construction permit is not needed. under 326 IAC 2-**~~

1.1-12(f).

(c) An owner or operator of a FESOP source may trade increases and decreases in emissions in the FESOP source, where the applicable SIP provides for such emission trades without requiring a permit revision, subject to the constraints of subsection (a) and the further conditions of this subsection. Such changes may be made without a permit revision regardless of whether the permit fails to provide expressly for such emissions trading under the following conditions:

(1) For each such change, the required written notification shall include such information as may be required by the provision in the applicable implementation plan authorizing the emissions trade, including, at a minimum, the following:

(A) When the proposed change will occur.

(B) A description of each such change.

(C) Any change in emissions.

(D) The permit requirements with which the source will comply using the emissions trading provisions of the applicable implementation plan.

(E) The pollutants emitted subject to the emissions trade.

The notice shall also refer to the provisions in the applicable implementation plan with which the source will comply and that provide for the emissions trade.

(2) Compliance with the permit requirements that the source will meet using the emissions trade shall be determined according to the requirements of the applicable implementation plan authorizing the emissions trade.

(d) An owner or operator of a FESOP source may make changes at the source within the range of alternative operating scenarios that are described in the terms and conditions of the FESOP for the source in accordance with section 4(7) of this rule, without a prior permit revision, subject to compliance with such permit terms and conditions. To procure alternative operating scenarios for its FESOP, the owner or operator of a FESOP source must request such alternative scenarios in its application for the permit. **Notwithstanding the provisions of subsection (a), no advanced notice to the department is required prior to making such a change.**

(Air Pollution Control Board; 326 IAC 2-8-15; filed May 25, 1994, 11:00 a.m.: 17 IR 2278)

SECTION 37. 326 IAC 2-8-16 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-8-16 Fees

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11; IC 13-17-8

Affected: IC 13-15; IC 13-17; IC 13-22-11-14; IC 13-22-12-14

Sec. 16. (a) An application for an initial FESOP must be accompanied by a fee of three thousand dollars (\$3,000) unless a source is subject to an application fee established under

section 18 of this rule. Any fee paid by the source in accordance with 326 IAC 2-1-7.1 after January 1, 1994, and before the date an application is submitted or December 31, 1995, whichever is earlier, shall be credited toward the application fee. For sources that submit a FESOP application prior to December 31, 1995, the department shall not assess a fee under 326 IAC 2-1-7.1 while the FESOP application is pending.

(b) A source that has been issued a FESOP under this rule shall pay an annual operating fee of one thousand five hundred dollars (\$1,500) upon billing by the department unless a source is subject to an annual operating fee established under section 18 of this rule. If an annual operating fee is being paid under a fee payment schedule established under IC 13-22-12-14, the fee shall be paid according to the established schedule. Establishment of a fee payment schedule must be consistent with the provisions of IC 13-22-11-14, including the determination that a single payment of the entire fee is an undue hardship on the person and that the department is not required to assess installments separately. For sources that submit an application for a FESOP after December 31, 1995, a source that has been issued a FESOP shall not be assessed an annual operating fee in the billing cycle immediately following issuance of the FESOP, but shall be assessed the annual operating fee in subsequent billing cycles.

(c) The commissioner shall adjust the fees described in subsection (b) each year by the Consumer Price Index (CPI). The revision of the CPI which is most consistent with the CPI for the calendar year 1995 shall be used.

(d) A source that notifies the department during the calendar year 1994 or 1995 of its intent to file a FESOP application is not subject to the fee schedule contained in 326 IAC 2-7-19. The source must continue to pay fees under ~~326 IAC 2-1-7.1~~ **326 IAC 2-1.1-7** until an application for a FESOP is made by the applicant or until a permit application is required to be submitted under 326 IAC 2-7. If a FESOP is not approved by the commissioner prior to the requirement that a Part 70 operating permit application be submitted, the source may be billed for the applicable fee under 326 IAC 2-7-19 for the calendar years 1994 and 1995 and subsequent years until a FESOP is issued. A source that applies for a FESOP at least nine (9) months in advance of the requirement to apply for a Part 70 permit is not subject to the 326 IAC 2-7-19 fee schedule until the commissioner makes a final determination on the FESOP application or a final Part 70 permit is issued for the source.

(e) Beginning in 1996, the commissioner shall review the monies in the Title V operating permit trust fund prior to billing Part 70 sources and FESOP sources. If the balance of the fund, once obligated expenditures are subtracted from the balance, exceeds three million dollars (\$3,000,000) as of July 1 of the billing year, the department shall adjust the annual fee schedule for Part 70 and FESOP sources to bill an aggregate less than the total fee schedule amount equivalent to the amount in excess of three million dollars (\$3,000,000). Adjustments to individual bills shall be proportional to the applicable fee divided by the total amount required

by all the applicable fees.

(f) A fee established under this section may be billed in whole or in part by a local air pollution control agency under terms of an enforceable written agreement or contract between the local air agency and the commissioner. Any FESOP fee paid to a local air agency shall be considered as revenue to the Title V operating permit trust fund and after the effective date of approval by the U.S. EPA of the Part 70 permit program may only be expended for purposes consistent with IC 13-17-8-2 through IC 13-17-8-9. A local air agency billing to a FESOP source shall specify the amount being assessed under this section and shall distinguish any other amount billed as not pursuant to the purposes of IC 13-17-8-2 through IC 13-17-8-9 under an enforceable agreement with the commissioner. The commissioner or local air agency may direct the source to make payment of fees established under this rule in part to both the department and local air agency such that the total FESOP fee does not exceed the amount in this rule. During 1994, the department may defer to billing of a local air agency if the total billings for all FESOP sources exceed the total amount due under this rule if specified in an enforceable agreement between the local air agency and the department. The department may assess a fee not to exceed twenty-five percent (25%) of the local fee in order to recover costs associated with development and preparation of a complete statewide Title V operating permit program for activities that will not be duplicated by the local air agency if it is determined that the local air agency fees collected from Part 70 and FESOP permittees do not provide adequate revenues for the local agency to develop and prepare for the Title V operating permit program at a pace comparable to state development and preparation. (*Air Pollution Control Board; 326 IAC 2-8-16; filed May 25, 1994, 11:00 a.m.: 17 IR 2279; filed Apr 22, 1997, 2:00 p.m.: 20 IR 2362*)

SECTION 38. 326 IAC 2-9-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-9-1 General provisions

Authority: IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11-2; IC 13-14-8

Sec. 1. (a) The definitions provided in IC 13-11-2, 326 IAC 1-2, 326 IAC 2-7, and 326 IAC 2-8 apply throughout this rule.

(b) A source may ~~may~~ limit its ~~allowable emissions or~~ potential to emit by complying with the specific restrictions and conditions listed in this rule. A source electing to comply with this rule shall apply to the commissioner for a source specific operating agreement. A source issued a source specific operating agreement pursuant to this rule is not subject to ~~326 IAC 2-1-4~~ **326 IAC 2-6.1** unless otherwise required by state, federal, or local law. A source issued a source specific operating agreement pursuant to this rule is not subject to ~~326 IAC 2-1-3~~ **326 IAC 2-5.1** or 326 IAC 7 provided the source specific operating agreement limits the source's ~~allowable emissions or~~ potential to emit below the applicability thresholds for ~~326 IAC 2-1-3~~ **326 IAC 2-**

5.1 or 326 IAC 2-7. Until the commissioner has issued an operating agreement for a source that would otherwise be subject to ~~326 IAC 2-1~~, **326 IAC 2-5.1**, **326 IAC 2-6.1**, 326 IAC 2-7, or 326 IAC 2-8, the source is subject to all applicable requirements of those rules. A source complying with this rule may at any time apply for a permit under ~~326 IAC 2-1~~, **326 IAC 2-5.1**, **326 IAC 2-6.1**, 326 IAC 2-7, or 326 IAC 2-8.

(c) The owner or operator of a source seeking an operating agreement shall submit a request to the commissioner. The request shall include all information necessary for the commissioner to verify that the source meets the applicable restrictions and conditions specified in this rule, including the following:

- (1) Identifying information.
- (2) Description of the nature, location, design capacity, and typical operating schedule of the source.
- (3) Description of the nature and amount of regulated pollutants emitted in the prior twelve (12) months.
- (4) Description of how the source will comply with the applicable restrictions and conditions specified in this rule.
- (5) Certification by a responsible official that the source shall comply with all applicable conditions of this rule.

The request shall be signed by a responsible official who shall certify that the information contained therein is accurate, true, and complete. Any applicable fees specified in this rule shall be submitted with the request.

(d) If the commissioner determines that the source meets the applicable restrictions and conditions specified in any applicable section of this rule, the commissioner shall issue the operating agreement. The operating agreement shall specify the source specific restrictions and conditions applicable to the source and shall also establish specific monitoring and reporting requirements. Any source for which the commissioner has issued a source specific operating agreement shall provide annual notice to the commissioner stating that the source is in operation and certifying that its operations are in compliance with applicable sections as specified in the operating agreement. This notice shall be submitted no later than January 30 of each year.

(e) Before a source subject to this section modifies its operations in such a way that it will no longer comply with the applicable restrictions and conditions of its source specific operating agreement, it shall obtain the appropriate approval from the commissioner under ~~326 IAC 2-1~~ 326 IAC 2-2, 326 IAC 2-3, **326 IAC 2-4.1**, **326 IAC 2-5.1**, **326 IAC 2-6.1**, 326 IAC 2-7, and 326 IAC 2-8.

(f) Any records required to be kept by a source in accordance with any section of this rule shall be maintained at the site for at least five (5) years and shall be made available for inspection by the department upon request.

(g) A source may apply for up to four (4) different types of source specific operating agreements contained in this rule provided allowable emissions or potential to emit for any regulated air pollutant, as limited under the source specific operating agreements, do not exceed major source levels when aggregated. A source may combine up to four (4) applications. The one-time application fee for a combined application submittal shall be five hundred dollars (\$500).

(h) Any source subject to this rule shall report to the department, in writing, any exceedance of a requirement contained in this rule or its operating agreement within one (1) week of its occurrence. The exceedance report shall include information on the actions taken to correct the exceedance, including measures to reduce emissions, in order to comply with the established limits. If an exceedance is the result of a malfunction, then the provisions of 326 IAC 1-6 apply.

(i) This rule does not affect a source's requirement to comply with provisions of any other applicable federal, state, or local requirement, except as specifically provided.

(j) Noncompliance with any applicable provision of this rule or any requirement contained in a source's operating agreement may result in the revocation of the operating agreement and make a source subject to the applicable requirements of a major source. (*Air Pollution Control Board; 326 IAC 2-9-1; filed May 25, 1994, 11:00 a.m.: 17 IR 2280; filed Apr 1, 1996, 9:00 a.m.: 19 IR 1757; filed May 7, 1997, 4:00 p.m.: 20 IR 2303*)

SECTION 39. 326 IAC 2-9-4 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-9-4 Woodworking operations

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 4. (a) Any woodworking operation subject to 326 IAC 6-1 or 326 IAC 6-3 may elect to be subject to this section by complying with the requirements of section 1 of this rule and the following: **meeting the conditions under subsection (b), (c), or (d).**

(b) Woodworking operations that meet the following conditions:

- (1) Request a source specific operating agreement under this section, which shall be accompanied by a one-time application fee of five hundred dollars (\$500).
- (2) The source shall not emit particulate matter with a diameter less than ten (10) microns (PM_{10}) in excess of one-thousandth (0.001) grain per actual cubic foot.
- (3) The source shall discharge no visible emissions to the outside air from the woodworking operation.
- (4) The source shall not at any time exhaust to the atmosphere greater than four hundred

thousand (400,000) actual cubic feet per minute.

(5) The source shall maintain records on the types of air pollution control devices used at the source and the operation and maintenance manuals for those devices.

(c) Woodworking operations controlled by a baghouse that meet the following conditions:

(1) Request a source specific operating agreement under this section, which shall be accompanied by a one-time application fee of five hundred dollars (\$500).

(2) The baghouse shall not exhaust greater than one hundred twenty-five thousand (125,000) cubic feet per minute to the atmosphere.

(3) The baghouse shall not emit particulate matter with a diameter less than ten (10) microns (PM_{10}) greater than ~~three-thousandths (0.003)~~ one-hundredth (0.01) grain per dry standard cubic feet of outlet air.

(4) Opacity from the baghouse does not exceed ten percent (10%).

(5) The baghouse is in operation at all times that the woodworking equipment is in use.

(6) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:

(A) The baghouse shall be inspected.

(B) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.

(7) The baghouse is inspected quarterly when vented to the atmosphere.

(8) The owner or operator keeps the following records:

(A) Records documenting the date when the baghouse redirected indoors or to the atmosphere.

(B) Quarterly inspection reports, when vented to the atmosphere.

(C) Visible observation reports.

(D) Records of corrective actions.

(d) Woodworking operations controlled by a baghouse that meet the following conditions:

(1) Request a source specific operating agreement under this section, which shall be accompanied by a one-time application fee of five hundred dollars (\$500).

(2) The baghouse shall not exhaust greater than ~~forty thousand (40,000)~~ sixty-five (65,000) cubic feet per minute to the atmosphere.

(3) The baghouse shall not emit particulate matter with a diameter less than ten (10) microns (PM_{10}) greater than one-hundredth (0.01) grain per dry standard cubic feet of outlet air.

(4) Opacity from the baghouse does not exceed ten percent (10%).

(5) The baghouse is in operation at all times that the woodworking equipment is in use.

(6) Visible emissions from the baghouse are observed daily using procedures in accordance with 40 CFR 60, Appendix A, Method 22* and normal or abnormal emissions are recorded. In the event abnormal emissions are observed for greater than six (6) minutes in duration, the following shall occur:

(A) The baghouse shall be inspected.

(B) Corrective actions, such as replacing or reseating bags, are initiated, when necessary.

(7) The baghouse is inspected quarterly when vented to the atmosphere.

(8) The owner or operator keeps the following records:

(A) Records documenting the date when the baghouse redirected indoors or to the atmosphere.

(B) Quarterly inspection reports, when vented to the atmosphere.

(C) Visible observation reports.

(D) Records of corrective actions.

(e) The requirement to submit the five hundred dollar (\$500) application fee shall not apply to a source that has been issued an operating agreement under this section.

*Copies of the Code of Federal Regulations (CFR) and Federal Register (FR) referenced in this section may be obtained from the Government Printing Office, Washington, D.C. 20402 and are available for copying at the Indiana Department of Environmental Management, Office of Air Management, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana 46204-2220. (*Air Pollution Control Board; 326 IAC 2-9-4; filed May 7, 1997, 4:00 p.m.: 20 IR 2306*)

SECTION 40. 326 IAC 2-9-6 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-9-6 Grain elevators

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 6. Any grain elevator subject to ~~326 IAC 2-1-4~~, **326 IAC 2-6.1**, 326 IAC 2-7, and 326 IAC 2-8 may elect to be subject to this section by complying with the requirements of section 1 of this rule and meeting the following conditions:

(1) Request a source specific operating agreement under this section, which shall be accompanied by a one-time application fee of five hundred dollars (\$500).

(2) Grain elevators with storage capacity less than or equal to one million (1,000,000) U.S. bushels that contain receiving, shipping, or grain storage facilities; headhouse, gallery belt, or tripper belt operations; or grain cleaning or grain drying equipment shall

comply with the following:

- (A) Grain elevators shall not receive or ship more than three million (3,000,000) U.S. bushels of grain annually.
- (B) Each source shall maintain records of the type and amount of grain received and shipped on an annual basis.
- (3) Grain elevators with storage capacity greater than one million (1,000,000) U.S. bushels of grain but no more than two million five hundred thousand (2,500,000) U.S. bushels that contain receiving, shipping, or grain storage facilities; headhouse, gallery belt, or tripper belt operations; or grain cleaning or grain drying equipment shall comply with the following provisions:
 - (A) Grain elevators shall not receive or ship more than ten million (10,000,000) U.S. bushels of grain annually.
 - (B) Each source shall limit particulate matter emissions through the application of mineral oil or soybean oil to all grain after it is received at an application rate of three-hundredths percent (0.03%) by weight or greater.
 - (C) Each source shall maintain the following records on a monthly basis:
 - (i) Type and amount of grain received and shipped.
 - (ii) Amount of mineral oil or soybean oil used and the rate of application.
 - (iii) Purchase orders and invoices for mineral oil or soybean oil.

(Air Pollution Control Board; 326 IAC 2-9-6; filed May 7, 1997, 4:00 p.m.: 20 IR 2306)

SECTION 41. 326 IAC 2-10-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-10-1 Limiting potential to emit

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) A source that would otherwise be required to have a permit under ~~326 IAC 2-1-4~~, **326 IAC 2-6.1**, 326 IAC 2-7, 326 IAC 2-8, or an operating agreement as described in 326 IAC 2-9 may limit its potential to emit by complying with the conditions of this rule. A source complying with this rule is not subject to ~~326 IAC 2-1-4~~, **326 IAC 2-6.1**, 326 IAC 2-7, 326 IAC 2-8, or 326 IAC 2-9 unless otherwise required by federal law.

(b) A source complying with this rule may at any time apply for a state operating permit under ~~326 IAC 2-1-4~~, **326 IAC 2-6.1**, Part 70 permit under 326 IAC 2-7, a FESOP under 326 IAC 2-8, or an operating agreement under 326 IAC 2-9, as applicable. *(Air Pollution Control Board; 326 IAC 2-10-1; filed Sep 5, 1996, 11:00 a.m.: 20 IR 10)*

SECTION 42. 326 IAC 2-11-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 2-11-1 General provisions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-11-2; IC 13-15; IC 13-17; IC 13-30-3

Sec. 1. (a) This section contains general provisions applicable to all other sections in this rule.

(b) Definitions provided in IC 13-11-2, 326 IAC 1-2, and 326 IAC 2-7 shall apply to this rule.

(c) A source may limit its allowable emissions or potential to emit by complying with the conditions of the applicable section of this rule. A source complying with this rule is not subject to ~~326 IAC 2-1-4~~, **326 IAC 2-6.1**, unless otherwise required by law. A source complying with this rule is not subject to ~~326 IAC 2-1-3~~ **326 IAC 2-5.1** or 326 IAC 2-7 provided the rule limits the source's allowable emissions or potential to emit below the applicability thresholds for ~~326 IAC 2-1-3~~ **326 IAC 2-5.1** or 326 IAC 2-7.

(d) A source complying with this rule may at any time apply for a permit under ~~326 IAC 2-1~~, **326 IAC 2-5.1**, **326 IAC 2-6.1**, 326 IAC 2-7, 326 IAC 2-8, or an operating agreement under 326 IAC 2-9, as applicable.

(e) Before a source subject to this rule modifies its facility or operations in such a way that it will no longer comply with this rule, it shall obtain the appropriate approval from the commissioner under ~~326 IAC 2-1~~, **326 IAC 2-5.1**, **326 IAC 2-6.1**, 326 IAC 2-2, 326 IAC 2-3, 326 IAC 2-7, or 326 IAC 2-8.

(f) Not later than thirty (30) days after receipt of a written request by the department or the U.S. EPA, the owner or operator of a source subject to this rule shall demonstrate that the source is in compliance with limits in the applicable section of this rule by providing throughput records for the previous twelve (12) months.

(g) A source electing to comply with this rule shall comply with the following:

(1) The source shall operate and properly maintain air pollution control devices at the source.

(2) The source shall follow generally accepted industry work practices to minimize emissions of regulated air pollutants.

(3) The source shall not discharge air pollutants so as to create a public nuisance.

(h) This section does not affect a requirement to comply with the provisions of any other

applicable federal, state, or local requirement, except as specifically provided in 326 IAC.

(i) A source subject to this rule may be subject to applicable requirements for a major source, including 326 IAC 2-7, if:

- (1) at any time the source is not in compliance with the conditions provided in an applicable section of this rule; or
- (2) the source does not timely or adequately demonstrate compliance with the conditions in an applicable section of this rule.

(j) Any violation of this rule may result in administrative or judicial enforcement proceedings and penalties under IC 13-30-3. (*Air Pollution Control Board; 326 IAC 2-11-1; filed May 7, 1997, 4:00 p.m.: 20 IR 2316*)

SECTION 43. 326 IAC 2-12 IS ADDED TO READ AS FOLLOWS:

Rule 12. General Permits

326 IAC 2-12-1 General permit issuance

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 4-21.5; IC 13-15; IC 13-17

Sec. 1. (a) The commissioner may establish a general permit for a class of emission units, processes, operations, or sources in accordance with the following conditions:

- (1) A general permit shall comply with all requirements applicable to operating permits under this article and shall identify criteria by which a source may qualify for the general permit.**
- (2) A general permit shall include the following:**
 - (A) Operating conditions with which any source operating under the general permit will comply.**
 - (B) Identification of all applicable requirements.**
 - (C) Terms and conditions, including monitoring, testing, reporting, record keeping requirements, and other actions to demonstrate compliance with all applicable requirements under this title and the CAA.**
- (3) A general permit may include terms and conditions that limit source emissions below the applicability thresholds for applicable requirements under this title.**
- (4) A general permit shall not be issued for a new source or modification subject to the requirements of 326 IAC 2-2, 326 IAC 2-3, or 326 IAC 2-4.1.**
- (5) The commissioner shall comply with the following provisions for notice and opportunity for public participation:**
 - (A) Prior to establishing a general permit, the commissioner shall provide an opportunity for public comment by publishing a legal notice that includes**

the following:

(i) Description of the types of sources, processes, emission units, and pollutants to be covered by the general permit.

(ii) Notification to the public of the following:

(AA) A thirty (30) day period for submitting written comments to the commissioner.

(BB) The opportunity for a public hearing for consideration of the general permit or notice of such hearing if one has been scheduled.

(CC) A copy of the general permit and any technical support documents are available upon request.

(B) The legal notice shall be published as follows:

(i) In newspapers of general circulation in a minimum of twelve (12) locations throughout the state.

(ii) In the Indiana Register.

(b) The commissioner may issue a general permit to an emission unit, process, operation, or source within the class of emission units, processes, operations, or sources for which a general permit was established. An applicant for a general permit shall do the following:

(1) Apply to the commissioner for coverage by the general permit under terms of the general permit or submit an application for a general permit under this section. The application for a general permit shall include all information necessary to determine qualification for, and assure compliance with, the general permit.

(2) Request authorization to operate under a general permit and meet the conditions and terms of the general permit. The commissioner may grant authorization to operate subject to the terms and conditions of the general permit.

(3) The notice provisions of 326 IAC 2-1.1-6 are not applicable to a decision by the commissioner on a source's request for authorization to operate under a general permit. This subdivision is not intended to affect applicability of IC 4-21.5.

(4) Submit an application fee of five hundred dollars (\$500) with the application.

(5) Pay an annual operating fee in accordance with 326 IAC 2-1.1-7, 326 IAC 2-7, 326 IAC 2-8, or 326 IAC 2-9, whichever applies. Fees shall be paid by mail or in person and shall be paid upon billing by check or money order, payable to "Cashier, Indiana Department of Environmental Management" no later than thirty

(30) calendar days after receipt of billing. Nonpayment shall result in revocation of the permit.

(c) The commissioner shall not issue more than two (2) general permits to any one (1) source in any twelve (12) month period. (*Air Pollution Control Board; 326 IAC 2-12-1*)

SECTION 44. 326 IAC 2-13 IS ADDED TO READ AS FOLLOWS:

Rule 13. Interim Approvals

326 IAC 2-13-1 Interim operating permit revision approvals

Authority: IC 13-14-8; IC 13-15-2; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. (a) This section applies to any person who operates an existing source under valid operating permits issued by the commissioner and who proposes to modify a source or construct a new emission unit at the existing source and such modification or construction requires an operating permit revision or other approval by the commissioner in accordance with this article, excluding the following:

- (1)** Construction of a major PSD source or major PSD modification as defined in 326 IAC 2-2.
- (2)** A modification in a nonattainment area that has the potential to emit a pollutant for which the nonattainment designation is based in an amount exceeding the levels of emissions that require a permit revision for that pollutant.
- (3)** Any modification that is subject to 326 IAC 2-4.1.

(b) At the time a permit revision application is submitted, or at any time thereafter, any person meeting the requirements of subsection (a) may separately petition the commissioner for an interim approval that would allow construction of the proposed modification to commence while the permit revision application is being reviewed.

(c) To petition for an interim approval, the applicant shall submit the following:

(1) A five hundred dollar (\$500) nonrefundable fee by check or money order payable to "Cashier, Indiana Department of Environmental Management". This fee is in addition to all other fees required by 326 IAC 2-1.1-7.

(2) A written petition containing the following:

(A) Identification of the type of operating permit revision that would be required pursuant to this article.

(B) All necessary conditions, limits, or restrictions that will be in effect to ensure the construction does not qualify as a major PSD source or major PSD modification or a major new source or reconstructed source of hazardous air pollutants. Limits must be stated as conditions that can be enforced independently of one another, and the time period over which the limits extend should be as short as possible and should generally not exceed one (1) month. In special situations, an annual limit may be acceptable, if approved by the commissioner. Limits on the following shall be considered acceptable:

- (i) Raw material consumed.**
- (ii) Fuel combusted.**
- (iii) Hours of operation.**
- (iv) Conditions that specify that the source must install and maintain controls that reduce emissions to a specified emission rate or to a specified efficiency level.**

(C) All conditions necessary to meet the requirements of any new source performance standards, national emission standards for hazardous air pollutants, and any state rules that would apply.

(D) A statement that the applicant consents to federal enforceability of an interim approval.

(E) The applicant's or its authorized agent's signature.

(F) A notarized affidavit that the applicant will proceed with any project approved under this section at its own risk to include, but not be limited to, the following:

- (i) Financial risk.**
- (ii) The risk that the commissioner will require additional or different control technologies in order for a final approval to be issued under applicable law.**
- (iii) The risk that the commissioner might deny issuance of the final approval.**

(d) The commissioner shall approve or deny the petition for an interim approval for a modification that meets the criteria for a minor permit revision in writing within nineteen (19) days of receipt of the petition.

(e) Upon submission of an application, the applicant proposing a modification that requires a significant permit revision shall notify the public of such petition by publishing a notice in a minimum of one (1) newspaper of general circulation in the county where the project will occur. The notice shall include the following:

(1) Notification of submittal to the commissioner of a petition for an interim approval.

(2) Notification that the public comment period consists of fourteen (14) calendar days from the date of publication of the public notice to submit written comments to the commissioner. No public hearing is available under this section; the opportunity for a public hearing exists during issuance of the final permit revision under

326 IAC 2-6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1.

(3) Notification that the applicant has submitted an application for a permit revision for the project, and the commissioner shall review the application in accordance with 326 IAC 2-6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1.

(4) Notification that operation of the source cannot commence until the existing operating permit is revised.

(5) Notification that if the interim petition is approved, modification is entirely at the applicant's own risk.

(6) Notification that a copy of the petition and any accompanying materials are available for inspection in a convenient public office such as the public library or local agency in the area to be affected by the proposed construction (to be identified in the notice by the applicant).

(f) The applicant shall notify the commissioner of the date the public notice was published and submit a copy of the proof of publication from the newspaper to the office of air management prior to the end of the fourteen (14) day public comment period.

(g) The applicant shall keep a proof of publication from the newspaper concerning the public notice for as long as the interim permit is effective.

(h) The commissioner may deny the petition for an interim approval if the commissioner determines any of the following:

(1) The source does not intend to modify the source in accordance with its petition.

(2) Construction of a major PSD source or major PSD modification may occur.

(3) The applicability requirements of subsection (a) are not met.

(4) The information contained in the petition is insufficient for the commissioner to determine whether there will be construction of a major PSD source or a major PSD modification.

(5) The petition proposes construction of an emissions unit that, as proposed, will not comply with applicable rules.

(6) The applicant began construction on the modification prior to receiving an interim approval.

(7) The applicant falsified any information contained in its petition or application.

(i) The commissioner shall take final action on a petition for interim approval meeting the criteria for a significant permit revision by the later of the following dates:

(1) Seventeen (17) days after publication of the public notice if no comments are submitted within the public comment period.

(2) ~~Thirty~~ Thirty-one (31) *[sic]* days after publication of the public notice if comments are submitted within the public comment period.

(3) Nineteen (19) days after receipt of the petition for interim approval.

The commissioner shall not approve a petition for interim approval prior to the dates established in subdivisions (1) and (2), as applicable. The commissioner may deny a petition for interim approval at any time within the time periods established by this subsection.

(j) The following provisions apply to all interim approvals:

(1) An interim approval expires on the effective date of the final permit revision approval.

(2) An interim approval shall contain all conditions, restrictions, or limits that guarantee construction of a major PSD source or major PSD modification or a major new source or reconstructed source of hazardous air pollutants does not occur.

(3) All interim approvals are federally enforceable.

(4) An interim approval may be revoked after its effective date upon a written finding by the commissioner that any of the reasons for denial in subsection (h) exists or if the modification is denied.

(Air Pollution Control Board; 326 IAC 2-13-1)

SECTION 45. 326 IAC 2-14 IS ADDED TO READ AS FOLLOWS:

Rule 14. Portable Sources

326 IAC 2-14-1 Exemptions

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 1. A portable source meeting the criteria for an exemption under 326 IAC 2-1.1-3 shall not be subject to the requirements of this rule. *(Air Pollution Control Board; 326 IAC 2-14-1)*

326 IAC 2-14-2 Applicability

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 2. (a) This rule applies to any person who proposes any of the following:

(1) Construction of a new stationary source consisting of a portable source, operation, process, or emissions unit.

(2) Modification to an existing source and such modification consists of a portable source, operation, process, or emissions unit, except for a relocation at an existing source that meets the criteria of 326 IAC 2-1.1-3(f)(2).

(3) Relocation of a portable source, operation, process, or emissions unit.

(4) Modification of a portable source, operation, process, or emissions unit at a source operating under a valid operating permit.

(b) For the purposes of this rule, a source may divide the operation into like units, processes, or operations for the purposes of relocation or anticipated relocation. This

division must be done as part of the initial application review process. (*Air Pollution Control Board; 326 IAC 2-14-2*)

326 IAC 2-14-3 Approvals

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 3. (a) A new portable source shall be registered or permitted in accordance with the provisions of 326 IAC 2-5.1 and 326 IAC 2-6.1.

(b) A portable source that will be part of an existing stationary source shall be approved through the permit revision procedures under 326 IAC 2-6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1, as appropriate. (*Air Pollution Control Board; 326 IAC 2-14-3*)

326 IAC 2-14-4 Relocations

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 4. (a) A portable source, operation, process, or emissions unit that has been issued a valid operating permit under this article may be issued a site approval letter for a new site that authorizes operation of the source, operation, process, or emissions unit as follows:

- (1) The source submits a notification at least thirty (30) days prior to relocation.**
- (2) The commissioner shall approve or deny the relocation within thirty (30) days of receipt of the notification of the proposed relocation.**
- (3) The application submitted for a permit revision in accordance with 326 IAC 6.1-6, 326 IAC 2-7-12, or 326 IAC 2-8-11.1 shall satisfy the notification requirements of this section.**

(b) The commissioner shall not approve a relocation of a portable source, operation, process, or emissions unit, if the following applies:

- (1) The relocation would allow a violation of the national ambient air quality standards (NAAQS).**
- (2) The relocation would allow a violation of a prevention of significant deterioration (PSD) maximum allowable increase.**
- (3) The source is not in compliance with all applicable air pollution control rules.**
- (4) The relocation would adversely affect the public health.**

(*Air Pollution Control Board; 326 IAC 2-14-4*)

SECTION 46. 326 IAC 4-1-1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 4-1-1 Scope of rule

Authority: IC 13-15-2-1; IC 13-17-3-4

Affected: IC 13-12; IC 13-17-9-3

Sec. 1. The requirements of this rule establish standards for open burning that would result in emissions of regulated pollutants. This rule applies to all open burning except for the following:

(1) Open burning by and at a source that has obtained a registration or permit under **326 IAC 2-5.1, 326 IAC 2-6.1**, 326 IAC 2-7, or 326 IAC 2-8 that specifically regulates the open burning to be performed by and at the source. This rule does apply to open burning not addressed in such a registration or permit, or if the registration or permit requires compliance with this rule.

(2) Except as provided in ~~IC 13-1-1.2-3 [IC 13-1-1.2-3 was repealed by P.L.1-1996, SECTION 99, effective July 1, 1996.]~~ **IC 13-17-9-3**, where open burning allowed under this rule is prohibited by other state or local laws, regulations, or ordinances.

(Air Pollution Control Board; 326 IAC 4-1-1; filed Mar 10, 1988, 1:20 p.m.: 11 IR 2419; filed Jul 30, 1996, 2:00 p.m.: 19 IR 3340)

SECTION 47. 326 IAC 6-1-11.1 IS AMENDED TO READ AS FOLLOWS:

326 IAC 6-1-11.1 Lake County fugitive particulate matter control requirements

Authority: IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11

Affected: IC 13-15; IC 13-17

Sec. 11.1. (a) This section applies to the following:

(1) Facilities and operations at a source having the potential to emit five (5) tons per year fugitive particulate matter into the atmosphere in Lake County:

- (A) Paved roads and parking lots.
- (B) Unpaved roads and parking lots.
- (C) Material transfer.
- (D) Wind erosion from storage piles and exposed areas.
- (E) Material transportation activities.
- (F) Material processing facilities with capacity equal to or greater than ten (10) tons per hour. The mass and opacity limits for emissions in this section are not applicable to such facilities specifically listed in section 10.1 of this rule. However, fugitive emissions from such facilities are subject to this section.
- (G) Dust handling equipment.
- (H) Any other facility or operation with a potential to emit fugitive particulate matter and not included in this subsection.

(2) The following sources located in Lake County:

- (A) A. Metz.
- (B) Amoco Oil, Whiting Refinery.
- (C) Beemsterboer Slag & Ballast Corporation.
- (D) Breslube U.S.A.
- (E) Bucko Construction.
- (F) Caine Steel.
- (G) Commonwealth Edison Company.
- (H) Dietrich Industries.
- (I) General Transportation.
- (J) Great Lakes Industrial Center.
- (K) Illiana Warehousing.
- (L) Industrial Scrap.
- (M) Inland Steel Corporation.
- (N) Lehigh Portland Cement.
- (O) LTV Steel Corporation.
- (P) Marblehead Lime Company.
- (Q) Mid Continental Coal & Coke Company.
- (R) NIPSCO Mitchell.
- (S) Ozinga Brothers.

- (T) Reed Minerals.
- (U) Shell Oil.
- (V) Union Carbide, Linde SP Gas.
- (W) Union Carbide, Oxygen Plant.
- (X) Union Tank Car Co.
- (Y) USS) Gary Works.
- (Z) Wolf Lake Terminal.
- (AA) X Rail Systems.

- (3) New sources required to be registered or permitted under ~~326 IAC 2-1~~ **326 IAC 2-5.1**, with total uncontrolled PM₁₀ fugitive particulate matter emissions equal to or greater than five (5) tons per year.
- (4) The independent contractors, companies, and corporations performing byproduct processing recycling activities, waste disposal, or any other activities that may result in uncontrolled PM₁₀ emissions of five (5) tons per year or more.
- (5) Any subsequent owner or operator of a source or facility covered by this subsection.

(b) The amount of uncontrolled PM₁₀ emissions emitted from a facility or source shall be determined by applying the method contained in "Compilation of Air Pollutant Emission Factors", Volume 1: Stationary Point and Area Sources, AP-42 Fourth Edition, September 1985*.

(c) The following definitions apply throughout this section:

- (1) "Affected facilities" means the sources of fugitive emissions listed in subsection (a).
- (2) "Batch transfer" means transfer of material onto or out of storage piles by front end loaders, trucks, or cranes.
- (3) "Capacity" means the sum of all throughputs to the first introduction point of all the processing lines on a plant property.
- (4) "Capture system" means the equipment used to capture and transport particulate matter generated by one (1) or more process equipment to a control device, including enclosures, hoods, ducts, fans, and dampers.
- (5) "Continuous transfer" means transfer of material onto or out of storage piles by conveyor.
- (6) "Control device" means the air pollution control equipment used to reduce particulate matter emissions released to the atmosphere.
- (7) "Dust handling equipment" means the equipment used to handle dust collected by control equipment, such as, but not limited to, a conveyor used to transfer dust from a control equipment hopper to a temporary storage container. A truck is an example of a temporary storage container. Both a conveyor and temporary storage container, in this case, are dust handling equipment.
- (8) "Exposed areas" means unused areas on plant property that cannot be defined as a paved or unpaved road or parking lot, storage pile, or associated area that have the

potential to emit particulate emissions by wind action.

(9) "Fugitive particulate matter" means any particulate matter emitted into the atmosphere other than through a stack.

(10) "Inplant transportation" means transportation of material on plant transportation routes, such as railroads and plant roads, in equipment such as trucks, railroad cars, front end loaders, conveyors, and skip hoists. The inplant transportation might be from one (1) process to another, from process equipment to waste disposal and reclamation sites, or from one (1) storage pile to another. This includes, for example, hauling of slag from slag pits to the slag processing facility on the plant property.

(11) "Material" means raw process material, byproduct, intermediate product, waste product, final product, and dust collected by control equipment, having proportion of loose, dry dust equal to or greater than five-tenths percent (0.5%) as measured by the ASTM C-136 method**, having potential to emit particulate emissions when disturbed by transfer, processing, and transportation activities defined in this section. Material may include the following:

- (A) Sand.
- (B) Limestone.
- (C) Coal.
- (D) Gypsum.
- (E) Slag.
- (F) Gravel.
- (G) Clay.
- (H) Cement.
- (I) Ores.
- (J) Grain.

(12) "Material processing facilities" means the equipment, or the combination of different types of equipment, used to process material for use in the plant or for commercial sale. The following sources are examples of these types of facilities:

- (A) Power generation plants.
- (B) Portland cement manufacturing plants.
- (C) Asphalt concrete manufacturing plants.
- (D) Concrete manufacturing plants.
- (E) Lime manufacturing plants.
- (F) Iron and steel manufacturing plants, which include blast furnaces and basic oxygen furnaces.
- (G) Sinter plants.
- (H) Coal and coke preparation plants.
- (I) Slag processing plants.
- (J) Brick manufacturing plants.
- (K) Grain processing elevators.
- (L) Food and feed manufacturing plants.

Equipment includes initial crusher, screen, grinder, mixer, dryer, belt conveyor, bucket elevator, bagging operation, storage bin, and truck or railroad car loading station.

(13) "Material transfer" means the transfer of material from process equipment onto the ground, from the ground into hauling equipment, from hauling equipment onto a storage pile, from a storage pile into hauling equipment for transport, or into an initial hopper for further processing. Dumping of slag from blast furnaces or basic oxygen furnaces into the slag pits and subsequent transfer to the hauling vehicle and initial hopper at the slag processing facility is an example of material transfer.

(14) "Paved road" means an asphalt or concrete surfaced thoroughfare or right-of-way designed or used for vehicular traffic.

(15) "Processing line" means material processing equipment connected by a conveying system. This does not include transfer from a conveyor to a storage pile.

(16) "Silt content" means the mass of an aggregate sample smaller than seventy-five (75) microns in diameter as determined by dry sieving. Silt content may be determined by using the procedures in AP-42 Supplement, "Silt Analysis Procedures", Appendix C-3, September 1988*.

(17) "Stack emissions" means the particulate matter that is released to the atmosphere from a confined opening like the exit of a control device or a chimney.

(18) "Storage pile" means any outdoor storage on a source's property of material as defined in subdivision (11).

(19) "Surface silt loading" means the mass of loose surface dust on a paved road, per length of road, as determined by dry vacuuming. Surface silt loading may be determined by using the procedures specified in the U.S. EPA guideline document U.S. EPA 600/2-79-103, "Iron and Steel Plant Open Source Fugitive Emission Evaluation", Appendix B**.

(20) "Transfer point" means a point in a conveying operation where the material is transferred to or from a belt conveyor, except where the material is being transferred to a storage pile.

(21) "Unpaved road" means a thoroughfare or right-of-way other than a paved road designed or used for vehicular traffic.

(22) "Vent" means an opening through which there is mechanically induced airflow for the purpose of exhausting air carrying particulate matter emissions from one (1) or more items of material processing equipment from a building.

(d) The following are particulate matter emission limitations:

(1) Paved roads and parking lots. The average instantaneous opacity of fugitive particulate emissions from a paved road shall not exceed ten percent (10%). A source shall implement the control measures specified by subsection (e)(3)(F) within twenty-four (24) hours after notification by the department or the U.S. EPA of violating the average instantaneous opacity limit. A violation of the instantaneous average opacity limits in this subsection is a violation of the rule. In addition, when requested by the

department or the U.S. EPA after an exceedance of the opacity limit is observed by a representative of either agency, the source shall initiate a compliance check with the surface silt loading limit. The department may require a revision of the control plan under subsection (e)(8), if the test shows an exceedance of the surface silt loading limit. The average instantaneous opacity shall be the average of twelve (12) instantaneous opacity readings, taken for four (4) vehicle passes, consisting of three (3) opacity readings for each vehicle pass. The three (3) opacity readings for each vehicle pass shall be taken as follows:

- (A) The first will be taken at the time of emission generation.
- (B) The second will be taken five (5) seconds later.
- (C) The third will be taken five (5) seconds later or ten (10) seconds after the first.

The three (3) readings shall be taken at the point of maximum opacity. The observer shall stand approximately fifteen (15) feet from the plume and at approximately right angles to the plume. Each reading shall be taken approximately four (4) feet above the surface of the roadway or parking area.

(2) Unpaved roads and parking lots. The average instantaneous opacity of fugitive particulate emissions from an unpaved road shall not exceed ten percent (10%). The department may request a revision of the control plan pursuant to subsection (e)(8), if an observation shows an exceedance of the average instantaneous opacity limit. This revision may be in lieu of, or in addition to, pursuing an enforcement action for a violation of the limit. Average instantaneous opacity shall be determined according to the procedure described in subdivision (1). The fugitive particulate emissions from unpaved roads shall be controlled by the implementation of a work program and work practice under the control plan required in subsection (e).

(3) Material transfer limits shall be as follows:

- (A) The average instantaneous opacity of fugitive particulate emissions from batch transfer shall not exceed ten percent (10%). The average instantaneous opacity shall consist of the average of three (3) opacity readings taken five (5) seconds, ten (10) seconds, and fifteen (15) seconds after the end of one (1) batch loading or unloading operation. The three (3) readings shall be taken at the point of maximum opacity. The observer shall stand approximately fifteen (15) feet from the plume and at approximately right angles to the plume.
- (B) Where adequate wetting of the material for fugitive particulate emissions control is prohibitive to further processing or reuse of the material, the opacity shall not exceed ten percent (10%) three (3) minute average. This includes material transfer to the initial hopper of a material processing facility as defined in subsection (c) or material transfer for transportation within or outside the source property including, but not limited to, the following:
 - (i) Transfer of slag product for use by asphalt plants:
 - (AA) from a storage pile to a front end loader; and

- (BB) from a front end loader to a truck.
- (ii) Transfer of sinter blend for use at the sinter plant:
 - (AA) from a storage pile to a front end loader;
 - (BB) from a front end loader to a truck; and
 - (CC) from a truck to the initial processing point.
- (iii) Transfer of coal for use at a coal processing line:
 - (AA) from a storage pile to a front end loader; and
 - (BB) from a front end loader to the initial hopper of a coal processing line.

Compliance with any operation lasting less than three (3) minutes shall be determined as an average of consecutive observations recorded at fifteen (15) second intervals for the duration of the operation.

(C) Slag and kish handling activities at integrated iron and steel plants shall comply with the following particulate emissions limits:

- (i) The opacity of fugitive particulate emissions from transfer from pots and trucks into pits shall not exceed twenty percent (20%) on a six (6) minute average.
 - (ii) The opacity of fugitive particulate emissions from transfer from pits into front end loaders and from transfer from front end loaders into trucks shall comply with the fugitive particulate emission limits in subdivision (9).
- (4) The opacity of fugitive particulate emissions from continuous transfer of material onto and out of storage piles shall not exceed ten percent (10%) on a three (3) minute average. The opacity shall be determined using 40 CFR 60, Appendix A, Method 9***. The opacity readings shall be taken at least four (4) feet from the point of origin.
- (5) Wind erosion from storage piles and exposed areas. The opacity of fugitive particulate emissions from storage piles shall not exceed ten percent (10%) on a six (6) minute average. These limitations may not apply during periods when application of fugitive particulate control measures are either ineffective or unreasonable due to sustained very high wind speeds. During such periods, the company must continue to implement all reasonable fugitive particulate control measures and maintain records documenting the application of measures and the basis for a claim that meeting the opacity limitation was not reasonable given prevailing wind conditions. The opacity shall be determined using 40 CFR 60, Appendix A, Method 9***, except that the opacity shall be observed at approximately four (4) feet from the surface at the point of maximum opacity. The observer shall stand approximately fifteen (15) feet from the plume and at approximately right angles to the plume. The opacity of fugitive particulate emissions from exposed areas shall not exceed ten percent (10%) on a six (6) minute average. The opacity shall be determined using 40 CFR 60, Appendix A, Method 9***.
- (6) Material transportation activities shall include the following:
- (A) There shall be a zero (0) percent frequency of visible emission observations

of a material during the inplant transportation of material by truck or rail at any time. Material transported by truck or rail that is enclosed and covered shall be considered in compliance with the inplant transportation requirement.

Compliance with this limitation shall be determined by 40 CFR 60, Appendix A, Method 22***, except that the observation shall be taken at approximately right angles to the prevailing wind from the leeward side of the truck or railroad car.

(B) The opacity of fugitive particulate emissions from the inplant transportation of material by front end loaders and skip hoists shall not exceed ten percent (10%). Compliance with this limitation shall be determined by the average of three (3) opacity readings taken at five (5) second intervals. The three (3) opacity readings shall be taken as follows:

- (i) The first will be taken at the time of emission generation.
- (ii) The second will be taken five (5) seconds later.
- (iii) The third will be taken five (5) seconds later or ten (10) seconds after the first.

The three (3) readings shall be taken at the point of maximum opacity. The observer shall stand at least fifteen (15) feet from the plume approximately and at right angles to the plume. Each reading shall be taken approximately four (4) feet above the surface of the roadway or parking area.

(7) Material processing facilities shall include the following:

(A) The PM_{10} stack emissions from a material processing facility shall not exceed twenty-two thousandths (0.022) grains per dry standard cubic foot and ten percent (10%) opacity. Compliance with the concentration limitation shall be determined using the test methods found in section 10.1(f) of this rule. Compliance with the opacity limitation shall be determined by 40 CFR 60, Appendix A, Method 9***.

(B) The opacity of fugitive particulate emissions from a material processing facility, except crusher at which a capture system is not used, shall not exceed ten percent (10%). Compliance with this limitation shall be determined by 40 CFR 60, Appendix A, Method 9***.

(C) The opacity of fugitive particulate emissions from a crusher at which a capture system is not used shall not exceed fifteen percent (15%). Compliance with this limitation shall be determined by 40 CFR 60, Appendix A, Method 9***.

(D) There shall be a zero (0) percent frequency of visible emission observations from a building enclosing all or a part of the material processing equipment, except from a vent in the building. Compliance with this standard shall be determined by 40 CFR 60, Appendix A, Method 22***.

(E) The PM_{10} emissions from building vents shall not exceed twenty-two thousandths (0.022) grains per dry standard cubic foot and ten percent (10%) opacity. Compliance with the concentration standard shall be determined by 40 CFR 60, Appendix A, Method 5 or 17, and with the opacity standard by 40 CFR

60, Appendix A, Method 9***.

(8) Dust handling equipment. The opacity of particulate emissions from dust handling equipment shall not exceed ten percent (10%). Compliance with this standard shall be determined by 40 CFR 60, Appendix A, Method 9***.

(9) Any facility or operation not specified in this subsection shall meet a twenty percent (20%), three (3) minute opacity standard. Compliance with this limitation shall be determined by 40 CFR 60, Appendix A, Method 9***, except that the opacity standard shall be determined as an average of twelve (12) consecutive observations recorded at fifteen (15) second intervals. Compliance of any operation lasting less than three (3) minutes shall be determined as an average of consecutive observations recorded at fifteen (15) second intervals for the duration of the operation.

(e) Control plans shall include the following:

(1) Within six (6) months of the effective date of this section, a source to which this section applies shall submit a control plan which, when fully implemented, will achieve compliance with the applicable emission limitations stated in subsection (d). Failure to submit a control plan in accordance with this section shall be considered a violation of this rule. A control plan shall also be included as part of a construction permit application pursuant to ~~326 IAC 2-1~~. **326 IAC 2-5.1**.

(2) A control plan, upon submittal to the department, shall become part of a source's operating permit or registration conditions.

(3) The following information:

(A) The name and address of the source and location, if the source is located on another source's property.

(B) The name and address, if different from that of the source, of the owner or operator responsible for the execution of the plan.

(C) Identification of the facilities or operations listed in subsection (a)(1) and those affected by section 10.1 of this rule that exist at the source.

(D) A map showing the location of all unpaved roads, paved roads, parking lots, storage piles, material processing facilities, dust handling equipment, material transfer points, and waste disposal and reclamation sites.

(E) A full description of the facilities on the map, including the following information, where applicable:

(i) The road lengths and widths, average daily traffic, surface silt loading, classification of vehicle traffic, and other data necessary to estimate PM₁₀ emissions from paved and unpaved roads and parking lots.

(ii) A description of each storage pile, including the type of material in the pile, its moisture content, the silt content, the throughput, and the equipment used to load onto and load out of the storage piles.

(iii) A complete description of the material processing facilities on the plant property, including a material flow diagram of the processing lines,

the rated capacity of each piece of equipment, and the existing control equipment and their efficiencies, including the process equipment served.

(iv) A complete description of the material transfer, inplant transportation, and dust handling equipment. Material transfer operations shall include, at a minimum, those operations contained in subsection (c)(13).

(v) A complete description of all other fugitive particulate matter emitting facilities not covered in this clause.

(F) The description of the proposed control measures and practices that the source will employ to achieve compliance with the emission limitations and data that prove its effectiveness.

(G) A list of the conditions that will prevent control measures and practices from being applied and alternative control practices and measures that will achieve compliance with the emission limitations.

(H) A schedule for achieving compliance with the provisions of the control plan. The schedule shall specify the time required to award necessary contracts and the time required to begin and complete construction and installation. Final compliance shall be achieved no later than December 10, 1993.

(4) The source shall keep the following documentation to show compliance with each of its control measures and control practices:

(A) A map or diagram showing the location of all emission sources controlled, including the location, identification, length, and width of roadways.

(B) For each application of water or chemical solution to roadways, the following shall be recorded:

(i) The name and location of the roadway controlled.

(ii) Application rate.

(iii) Time of each application.

(iv) Width of each application.

(v) Identification of each method of application.

(vi) Total quantity of water or chemical used for each application.

(vii) For each application of chemical solution, the concentration and identity of the chemical.

(viii) The material data safety sheets for each chemical.

(C) For application of physical or chemical control agents not covered by clause (B), the following:

(i) The name of the agent.

(ii) Location of application.

(iii) Application rate.

(iv) Total quantity of agent used.

(v) If diluted, percent of concentration.

(vi) The material data safety sheets for each chemical.

(D) A log recording incidents when control measures were not used and a

statement of explanation.

(E) Copies of all records required by this section shall be submitted to the department within twenty (20) working days of a written request by the department.

(F) The records required under this subdivision shall be kept and maintained for at least three (3) years and shall be available for inspection and copying by department representatives during working hours.

(G) A quarterly report shall be submitted to the department stating the following:

- (i) The dates any required control measures were not implemented.
- (ii) A listing of those control measures.
- (iii) The reasons that the control measures were not implemented.
- (iv) Any corrective action taken.

This report shall be submitted to the department thirty (30) calendar days from the end of a quarter. Quarters end March 31, June 30, September 30, and December 31.

(5) A source shall consult "Compilation of Air Pollutant Emission Factors", Volume 1: Stationary Point and Area Sources, AP-42 Fourth Edition, September 1985* and Control of Open Sources of Fugitive Dust, U.S. EPA, September 1988** to determine the following:

(A) The information needed.

(B) The effectiveness of the applicable control practices and measures.

(6) A source listed under subsection (a)(2) shall be exempt from this section if it can demonstrate to the department that its uncontrolled PM₁₀ emissions are less than five (5) tons per year. An exemption must be approved by both the department and by the U.S. EPA as a revision to the state implementation plan.

(7) The evaluation of a control plan by the department and U.S. EPA or a request for exemption from the requirement to submit a control plan shall be based on the following criteria:

(A) The completeness of the description of the affected facilities located on the plant property.

(B) The accuracy of the methods and procedures used to determine the applicability of the section.

(C) The completeness of the description of control measures and practices proposed by the source and any alternative control measures, and the accuracy of the data and calculations which document compliance with the emission limitations.

(D) The completeness of the data recording protocol for determining compliance with the control measures and practices.

(8) The department may require that a source revise its control plan if either of the following apply:

(A) A test of surface silt loading on a paved road shows that the loading is greater

than one hundred (100) pounds per mile averaged over five (5) roads or five (5) road sections. The surface silt loading shall be determined using the sampling and analysis procedures in the U.S. EPA guidance document EPA 600/2-79-103, "Iron and Steel Plant Open Source Fugitive Emission Evaluation", Appendix B**.

(B) The department's evaluation under subdivision (7) determines that the requirements of the control plan have not been met.

* Copies of AP-42 and supplements are available for purchase from the U.S. EPA, Office of Air Quality Planning and Standards, Research Triangle Park, North Carolina 27711 or can be reviewed at the Indiana Department of Environmental Management, Office of Air Management.

** Copies of the EPA guidance documents are available from the U.S. EPA, Office of Air Quality Planning and Standards, Research Triangle Park, North Carolina 27711 or the Indiana Department of Environmental Management, Office of Air Management.

*** Copies of the Code of Federal Regulations have been incorporated by reference and are available from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402 or the Indiana Department of Environmental Management, Office of Air Management. (*Air Pollution Control Board; 326 IAC 6-1-11.1; filed May 12, 1993, 11:30 a.m.: 16 IR 2393*)

SECTION 48. THE FOLLOWING ARE REPEALED: 326 IAC 2-1-1; 326 IAC 2-1-2; 326 IAC 2-1-3; 326 IAC 2-1-3.1; 326 IAC 2-1-3.2; 326 IAC 2-1-3.3; 326 IAC 2-1-4; 326 IAC 2-1-5; 326 IAC 2-1-6; 326 IAC 2-1-7.1; 326 IAC 2-1-8; 326 IAC 2-1-9; 326 IAC 2-1-10; 326 IAC 2-1-11.1; 326 IAC 2-1-12; 326 IAC 2-1-13; 326 IAC 2-4; 326 IAC 2-5; 326 IAC 2-8-11.